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1265



United States
Department of
Agriculture

Food and
Nutrition
Service

Program Aid
Number 1265

Child Care Food Program Management Manual for Institutions

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September 1980

The Child Care Food Program provides benefits to all children without regard to race, color, or national origin.

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INTRODUCTION

Section A.

History

The Child Care Food Program (CCFP) was established by Congress in 1968 to provide meals to children in day care centers, settlement houses, and recreation centers. The program was created in response to the need to provide good nutrition to children in needy areas where there were large numbers of working mothers. The law provided limited Federal reimbursement for meals served to children by public or private nonprofit institutions. It also provided funds to help institutions buy equipment for preparing and serving the meals.

Congress passed Public Law 95-627 in November 1978. This law makes the program permanent and allows for program expansion while ensuring that the program continues to provide quality nutrition. Under this law, any public or private nonprofit institution or sponsored facility that is licensed or approved to care for children may participate in the program. This includes child care centers, recreation centers, outside-school-hours care centers, family and group day care homes, and institutions providing day care for the handicapped. These nonresidential institutions must provide care to children 18 years of age and under. Mentally or physically handicapped people who are over 18 years of age may also participate in the CCFP if they are enrolled in a child care center or facility that serves people primarily 18 years of age and under. The Child Care Food Program regulations outline the rules for administering agencies and participating centers, homes and sponsoring organizations. This manual explains those rules to participating institutions and facilities.

Sponsoring organizations, independent child care centers, and independent outside-school-hours care centers that sign an agreement with the administering agency are defined as institutions according to the new Child Care Food Program regulations. These types of participants are generally identified in this manual as institutions. Sponsored child care centers, outside-school-hours care centers, and day care homes are defined as facilities according to the regulations, and are identified in this manual as such. Requirements that apply only to sponsoring organizations, centers, or homes are specifically identified in this manual.

A number of other publications, listed in the back of the manual, will also help institutions and facilities understand program rules and improve food service to children. The administering agency has copies of these publications.

Section B.

Administering the Program

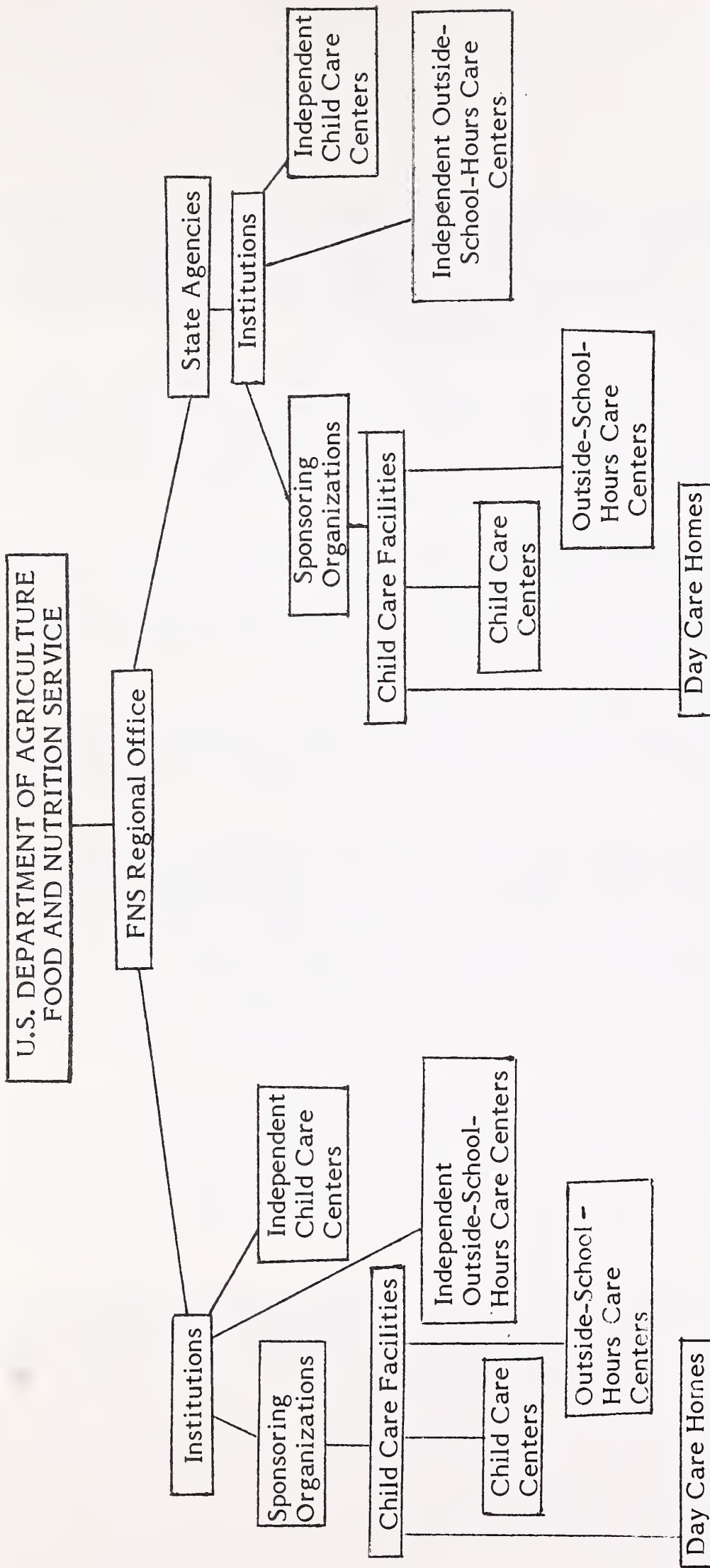
The U.S. Department of Agriculture's (USDA) Food and Nutrition Service administers the CCFP on a national level. The national office develops regulations, publications, and forms, and establishes the policies necessary to carry out the program.

State educational agencies or regional Food and Nutrition Service offices are the administering agencies that manage and direct the CCFP in each State. All Food and Nutrition Service regional offices are listed at the end of this manual (Attachment A).

The administering agencies' responsibilities include:

- * Providing assistance to institutions including advice and training in starting up and carrying out a program; written guidance in the form of handbooks, manuals, and other publications; and advice and training on nutrition, food buying, menu planning, recordkeeping, and managing program funds.
- * Making sure institutions and facilities follow program rules so they provide maximum benefits to children. Administering agencies do this by carefully processing applications from institutions, visiting institutions and facilities to review their operations, training institution personnel, and auditing program records.
- * Processing payments to institutions for meals served to enrolled children.

This organization chart shows how the administering agencies are related to the institutions and how the institutions are related to the facilities.



The purpose of the Child Care Food Program is to provide nutritional benefits to preschool and school-age children. Therefore, the law allows for participation by a wide variety of institutions. The following basic definitions describe the institutions that qualify for the program.

Institutions are public or private nonprofit sponsoring organizations, independent child care centers, or independent outside-school-hours care centers that sign an agreement with the administering agency. The institution assumes final administrative and financial responsibility for food program operations.

Sponsoring Organizations are public or private nonprofit organizations that are entirely responsible for the administration of the food program in the child care facilities under their authority. Such organizations include churches, community agencies, school boards, local governments, and others.

Child Care Facilities are licensed or approved child care centers, outside-school-hours care centers, and day care homes that participate in the food program under the authority of a sponsoring organization.

Child Care Centers are public or private nonprofit organizations that are licensed or approved to provide nonresidential child care services to enrolled children who are primarily of preschool age. They include, but are not limited to: day care centers, settlement houses, neighborhood centers, Head Start centers, and organizations providing day care services for handicapped children. Child care centers may participate in the program as independent centers or under the authority of a sponsoring organization.

Outside-School-Hours Care Centers are public or private nonprofit organizations, licensed or approved to provide nonresidential child care services before or after school to enrolled children who are primarily of school age. Outside-school-hours care centers may participate in the program as independent centers or under the authority of a sponsoring organization.

Day Care Homes are licensed or approved private homes that provide organized nonresidential care for enrolled children. Day care homes may participate in the program only if they are sponsored by an eligible organization.

PARTICIPATION REQUIREMENTS

CHAPTER II.

PARTICIPATION REQUIREMENTS

This section lists the basic eligibility requirements for institutions and facilities that wish to participate in the Child Care Food Program. In addition, this section includes specific information about tax-exemption and licensing. Finally, detailed descriptions outline the operational responsibilities of sponsoring organizations, child care centers, outside-school-hours care centers, and day care homes.

Section A.

Eligibility Requirements for Institutions

Institutions must meet several basic requirements in order to participate in the program:

- * All institutions must be public or have tax-exempt status under the Internal Revenue Code of 1954.
- * All institutions offering child care must be licensed or approved to provide child care services.
- * All institutions offering child care must be nonresidential. This means that they cannot provide child care services 24 hours a day, every day.
- * An institution must not have been determined as seriously deficient in operating any other Federal child nutrition program during the past 3 fiscal years (including the fiscal year of its application for the CCFP). (See Chapter III, "Seriously Deficient Institutions".)

If an institution has been determined as seriously deficient in operating a Federal child nutrition program, the institution can be readmitted to the program in less than 3 years. The institution must be able to prove to the administering agency and USDA that it has corrected the deficiencies in operating the program that justified the determination of seriously deficient.

- * The institution must agree to accept final administrative and financial responsibility for operating the Child Care Food Program. Institutions cannot contract out for the entire management of the program.

Section B.

Eligibility Requirements for Child Care Facilities

Child care facilities must meet several basic requirements to participate in the program:

- * All facilities, except day care homes, must be public or tax-exempt under the Internal Revenue Code of 1954.

- * All facilities must be licensed or approved to provide child care services.
- * All facilities must be nonresidential. That means they cannot provide child care services 24 hours a day, every day. This restriction does not include the care of the day care home providers' children who are enrolled in the program.

Section C.

Specifics on Tax-Exempt Status

In order to participate in the CCFP, institutions must be public, and therefore automatically tax-exempt, or private nonprofit organizations. A private organization is nonprofit if: it has tax-exempt status under the Internal Revenue Code of 1954, or it is taking steps towards complying with the requirements for tax-exempt status under this Code, or it is currently operating another Federal program requiring nonprofit status. An institution that has applied to the Internal Revenue Service (IRS) for tax-exempt status may participate in the program while IRS reviews the application. If IRS denies the application for tax-exempt status, the institution must notify the administering agency immediately. The administering agency must then discontinue the institution's participation in the CCFP. If IRS has not notified the institution of its tax-exempt status within 12 months after the institution filed the application and IRS shows that the institution did not provide all the required information, the administering agency must discontinue the institution's participation in the program until it receives tax-exempt status.

Section D.

Specifics on Licensing or Approval

1. Renewal of Licensing or Approval

Each independent child care center, independent outside-school-hours care center and sponsored child care facility must have Federal, State, or local licensing or approval to provide day care services to children. Centers or facilities that are complying with procedures for renewing licenses or approvals may participate in the program during the renewal process unless the administering agency has information that indicates that renewal will be denied.

2. Alternate Types of Approval

Licensing or approval may not be available to centers or facilities when: (1) no Federal, State, or local licensing or approval standards have been established for that type of center or facility; (2) no mechanism exists to determine compliance with licensing or approval standards; or (3) licensing authorities are dealing with application backlogs and are unable to decide on an application for licensing or approval within a reasonable period of time.

In these cases, centers and facilities can meet the licensing requirement for participation if they can:

- * Document that they receive Title XX funds; or
- * Show that they are complying with applicable State or local child care standards if they do not receive Title XX funds; or
- * Show that they are complying with CCFP child care standards, if they do not receive Title XX funds.

Institutions may choose which of the three child care standards (State, local, or CCFP) they wish to meet. The administering agency can provide additional information about State child care standards and CCFP child care standards.

3. Procedures for Alternate Child Care Standards Approval

Independent centers and sponsoring organizations, on behalf of their facilities, must submit an application for program participation to the administering agency. When licensing or approval is not available because Federal, State, or local child care standards do not exist for that type of center or facility and the application indicates that licensing or approval has not been obtained, the administering agency will notify the center or sponsoring organization that the application submitted is incomplete. The agency will send the center or sponsoring organization the notice within 15 calendar days after receiving the application. The notice will also include information on how to demonstrate that the center or facility complies with State child care standards or CCFP child care standards.

If local child care standards are available, and the institution wants to comply with these standards, the administering agency may require the institution to identify and submit these standards. At a minimum, the administering agency will require the institution to submit health or sanitation and fire or safety permits for all centers and facilities seeking approval based on alternate child care standards.

As soon as the institution can demonstrate that it or its facilities comply with alternate child care standards, the administering agency can begin processing the application.

4. Backlogs

When licensing or approval standards exist in the State, but the licensing authority has a backlog in approving licenses, centers and facilities may still be eligible to participate in the CCFP.

When the institution submits the application for CCFP participation, it must be sure to include evidence that the center or facilities have already applied for licensing. The administering agency will notify the center or sponsoring organization within 15 days, explaining that the application is incomplete. The notice will include information on how the center or facility can demonstrate that it complies with State or CCFP child care standards. If an institution wishes to comply with local child care standards, the administering agency may require the institution to submit those standards. The center or sponsoring organization, on behalf of its facilities, must begin to comply with one of these sets of standards.

The administering agency cannot determine an institution's or facility's eligibility until 90 days after receiving the institution's application and documentation of having applied for licensing when the application requests approval based on alternate child care standards.

In the interim period, the licensing authority may be able to grant the license using normal procedures. When the licensing authority notifies the center or facility that they have been licensed or have been denied a license, the institution must then notify the administering agency. The administering agency must discontinue the participation of the center or facility in the CCFP (1) if the licensing authority denies the request for a license or (2) if, 1 year after the administering agency approves the center or facility to participate in the program, the licensing authority indicates that the center or facility has not followed the instructions it provided to meet licensing requirements.

Some administering agencies are exempt from approving institutions and facilities in this situation because of State law. Contact the administering agency for more information.

Sponsoring Organizations

Section E.

Child Care Food Program Operational Requirements

The following sections outline operational requirements for participation in the Child Care Food Program.

1. Sponsoring Organizations

To participate in the CCFP, a sponsoring organization must:

- * Submit an annual application for participation, or submit renewal materials for itself and each facility it sponsors. This application must include:
 1. Evidence of the sponsoring organization's nonprofit status,
 2. Documentation about the eligibility status of child care facilities (such as licensing or approval actions),
 3. A management plan that includes an administrative budget,
 4. A nondiscrimination and free and reduced-price policy statement,
 5. A public release announcing the availability of the program (releases for radio, television, or the press).
- * Accept final administrative and financial responsibility for program operations in all facilities it sponsors.
- * Provide adequate supervisory and operational personnel for managing and monitoring the program.
- * Establish procedures to collect and maintain all necessary program records from all facilities it sponsors. These records must include:
 1. Copies of all applications from facilities and supporting documents the sponsoring organization submitted to the administering agency for approval;
 2. Documentation of enrollment of each child;
 3. Documentation of the family's size and income for each enrolled child who is determined eligible for free and reduced-price meals at child care centers and outside-school-hours care centers;
 4. Daily attendance records;
 5. Copies of daily menus and any other food service records required by the administering agency;

6. Daily meal counts listing the number of meals, by type, served to enrolled children;
 7. Daily meal counts listing the number of meals, by type, served to adults working on the food service in child care centers and outside-school-hours care centers;
 8. Copies of invoices, receipts, or other records required by the administering agency to document administrative costs, operating costs for child care centers and outside-school-hours care centers, and income to the program;
 9. Copies of all claims for reimbursement the sponsoring organization submitted to the administering agency;
 10. Receipts for all program payments made by the administering agency;
 11. Information on training session date(s) and location(s), participants' names, and the topics covered in the sessions;
 12. Information about the location, date, and details of each facility review;
 13. Documentation of the dates and amounts of disbursements to each facility.
- * Distribute advance payments to each day care home no later than 5 days after receiving the provider's records for the month that the advance was paid.
 - * Distribute food service reimbursement to each day care home within 15 working days after receiving it from the administering agency.
 - * Distribute reimbursement to each child care center and/or outside-school-hours care center within 15 days after receiving it from the administering agency.
 - * Maintain all program payments in a noninterest-bearing account between the date of receipt from the administering agency and the date of disbursement to the facilities.
 - * Ensure proper use of donated commodities if the sponsoring organization's facilities receive them.
 - * Sign an agreement with each day care home it sponsors.

a. Sponsoring
Organization
Training
Requirements

Preapproval
Visits

Each sponsoring organization must provide technical assistance to the facilities it sponsors. This assistance must include preapproval visits to each child care facility that wishes to participate in the program under the sponsoring organization. During a preapproval visit, the sponsoring organization must discuss program benefits and requirements and make sure that the facility is capable of providing the proposed food service.

Preoperational
Training

Each sponsoring organization must also train child care facility staff members on all program duties and responsibilities before the facility starts its program. This training should emphasize food service procedures and recordkeeping requirements.

Annual
Training

The sponsoring organization must provide training at least once a year for all administrative and operational staff to review program requirements. New staff should be thoroughly trained before beginning their work in the program.

The sponsoring organization must keep a written record to document the location and date of each training session, the names of the staff present at the training session, and the topics covered.

b. Sponsoring
Organization
Review
Requirements

Sponsoring organizations must review and monitor the food service operations in all facilities it sponsors. These reviews must assess compliance with meal pattern, recordkeeping and other requirements. The sponsoring organization must keep documentation on file on the location and date of each facility review, any problems noted, and the corrective action required and completed. The sponsoring organization should also maintain records documenting assistance and guidance it has provided to a facility to complete corrective action(s).

Facility reviews must be scheduled according to the following requirements:

Child Care Centers

Review food service operations three times a year at each child care center. One of these reviews must be made during the center's first 6 weeks of operation and not more than 6 months can elapse between each review.

Day Care Homes

Review food service operations four times a year at each day care home. One of these reviews must be made during the home's first 4 weeks of operation and not more than 6 months can elapse between each review.

Outside-School-Hours Care Centers

Review food service operations six times a year at each outside-school-hours care center. One of these reviews must be made during the center's first 4 weeks of operation and not more than 3 months can elapse between each review.

The Reference section includes forms that sponsoring organizations may use when they review facilities (Attachments B,C and D).

Day Care Homes

2. Day Care Homes

To participate in the CCFP day care homes must:

- * Participate under the authority of a sponsoring organization.
- * Sign an agreement with the sponsoring organization that specifies the rights and responsibilities of both parties.
- * Prepare and serve meals that meet the program meal pattern requirements.
- * Maintain accurate records on daily menus, daily count of the number of meals served to enrolled children, and daily count of the number of enrolled children in attendance.
- * Serve meals at no separate charge to enrolled children.
- * Promptly inform the sponsoring organization about any change in the number of children enrolled for care or any change in its licensing or approval status.
- * Serve only those meal types that have been approved by the administering agency for reimbursement.

Child Care Centers

3. Child Care Centers

Child care centers may participate in the CCFP either as independent centers or under the authority of a sponsoring organization.

Independent child care centers must:

- * Submit an annual application for participation, or submit renewal materials. This application must include:
 1. Evidence of nonprofit status;
 2. Documentation about the eligibility status of the center (such as licensing or approval actions);
 3. An administrative budget;
 4. Nondiscrimination and free and reduced-price policy statement;
 5. A public release announcing the availability of the program (releases for radio, television, or the press).
- * Maintain records that include:
 1. Copies of all claims for reimbursement submitted to the administering agency;
 2. Receipts for all program payments made by the administering agency;
 3. Information on training session date(s), location(s), topics, and participants' names.
- * Accept final administrative and financial responsibility for program operations in the center.

All child care centers, whether independent or sponsored, must:

- * Provide adequate supervisory and operational personnel for managing and monitoring the program.
- * Comply with the following meal requirements:
 1. May serve a breakfast, lunch, supper, and two snacks to enrolled children, with prior approval from the administering agency;

2. May not claim reimbursement for meals served to children who are not enrolled;
 3. May not claim reimbursement for meals served to children that exceed the authorized capacity of the center, at any one time;
 4. Must serve meals that meet the meal pattern requirements.
- * Establish procedures to collect and maintain all necessary program records. These records must include:
1. Copies of all applications and supporting documents submitted to the administering agency for approval;
 2. Documentation of enrollment of each child;
 3. Documentation of family size and income information for each enrolled child who is determined to be eligible for free and reduced-price meals;
 4. Daily attendance records;
 5. Copies of daily menus and any other food service records the administering agency requires;
 6. Daily meal counts, listing the number of meals, by type, served to enrolled children;
 7. Daily meal counts listing the number of meals, by type, served to adults working on the food service;
 8. Invoices, receipts, or other records the administering agency requires to document administrative costs, operating costs, and income to the program.

Outside-School-Hours

4. Outside-School-Hours Care Centers

Outside-school-hours care centers may participate in the CCFP as independent centers or under the authority of a sponsoring organization.

Independent outside-school-hours care centers must:

- * Submit an annual application for participation, or submit renewal materials. This application must include:
 1. Evidence of nonprofit status;
 2. Documentation on the eligibility status of the center (such as licensing or approval actions);
 3. An administrative budget;
 4. Nondiscrimination and free and reduced-price policy statements;
 5. A public release announcing the availability of the program (release for radio, television, or the press).
- * Maintain records that include:
 1. Copies of all claims for reimbursement the center submitted to the administering agency;
 2. Receipts for all program payments made by the administering agency;
 3. Information on training session date(s) and location(s), participants' names, and the topics covered in the sessions.
- * Accept final administrative and financial responsibility for program operations in the center.

All outside-school-hours care centers, whether independent or sponsored, must:

- * Provide adequate supervisory and operational personnel for managing and monitoring the program;
- * Establish procedures to collect and maintain all necessary program records. These records must include:
 1. Copies of all applications and supporting documents the institution submitted to the administering agency for approval;
 2. Documentation of enrollment for each child;

3. Documentation of family size and income for each enrolled child who is determined to be eligible for free and reduced-price meals;
 4. Daily attendance records;
 5. Copies of daily menus;
 6. Daily count of the number of meals prepared or delivered for each meal service;
 7. Daily meal counts listing the number of meals by type served to enrolled children;
 8. Daily meal counts listing the number of meals by type served to adults working on the food service;
 9. Copies of invoices, receipts, or other records required by the administering agency to document administrative costs, operating costs, and income to the program.
- * Comply with the following meal requirements:
1. May serve a breakfast, snack, and supper to enrolled children outside of school hours, with prior approval from the administering agency;
 2. May serve a lunch on weekdays to enrolled children attending schools that do not offer a lunch program, with prior approval from the administering agency;
 3. May serve lunch and a second snack to enrolled children during school vacations, including weekdays and holidays, with prior approval from the administering agency;
 4. May not operate the program on weekends only;
 5. May not claim reimbursement for meals served to children who are not enrolled;
 6. May not claim reimbursement for meals served to children that exceed the authorized capacity of the center, at any one time.
- * Meet the following meal service requirements when serving approved meal types:

1. Must have 3 hours between the beginning of one meal service and the beginning of another, except that there must be 4 hours between lunch and supper when no afternoon snack is served between the lunch and supper;
 2. Must not allow the service of the lunch and supper to last more than 2 hours;
 3. Must not allow the service of breakfast and snacks to last more than 1 hour;
 4. Must begin serving supper no later than 7 p.m. and end serving no later than 8 p.m.
- * Ensure that an adequate number of food service staff supervise each meal service.
 - * Provide training for food service staff.
 - * Ensure that food service staff:
 1. Serve meals only to children enrolled for care;
 2. Serve meals only to adults who perform necessary food service labor;
 3. Serve meals that meet the meal pattern requirements;
 4. Serve meals according to the meal time requirements;
 5. Make sure that children eat all meals at the center;
 6. Maintain accurate records;
 7. Promptly adjust the number of meals prepared or ordered to meet the needs of the children who are actually present each day.

Nonresidential public or private nonprofit schools may participate in the program as outside-school-hours care centers if:

1. They have children who are enrolled in a regularly scheduled child care service;
2. The program is organized for the purpose of providing child care services;
3. The center maintains program records separately from the food service records of other meals served at the school.

School activities organized for purposes other than child care are not eligible to participate in the CCFP. School clubs, athletic teams, or other extracurricular programs organized primarily for scholastic, cultural, or athletic purposes cannot participate in the CCFP.

APPLYING FOR THE PROGRAM

Regulations require that the administering agency establish an annual application process for CCFP participation. When an institution applies for the program, it must complete a variety of forms. The administering agency will help an institution complete the appropriate application forms.

The administering agency must notify the institution of approval or disapproval for participation in the program within 30 days after the institution files a complete and correct application. If the application is incomplete or incorrect, the administering agency will notify the institution within 15 days that it cannot approve the application.

The administering agency may approve an institution or facility for reimbursement for 1 month before the actual approval, if substantial evidence indicates that the institution or facility maintained records to support reimbursement. For example, if the administering agency approves an institution's application on May 15, and it has been keeping accurate records as required under program regulations, the administering agency may be able to approve the institution for reimbursement dating back to April 1.

This retroactive approval does not apply to sponsoring organizations of day care homes that are new to the program. Because reimbursement is based on an approved budget and management plan, most sponsoring organizations will not have the required documentation to support reimbursement before the administering agency approves the application.

Section A.

Filling Out Forms

The following is a list of the types of forms institutions may need to complete to apply for the program. The administering agency will send some or all of these forms, along with instruction on which forms to fill out. (Basically, this is the type of information institutions must provide, regardless of the form(s) used by the administering agency.)

Application and Agreement for Startup Payments

Startup payments are available to sponsoring organizations that wish to develop or expand successful program operations in day care homes. Sponsoring organizations may be approved to receive these payments only one time. The form for applying for these funds requests evidence of public or nonprofit status, a realistic plan for recruiting homes, and a plan for organizing the program that includes preapproval visits and training.

Application for Child Care Centers and Outside-School-Hours Care Centers

This application asks questions about public or nonprofit status, licensing, preferred reimbursement method, planned meal service, eligibility of enrolled children, administrative and food service budgets, and staffing patterns.

Application for Sponsoring Organizations

This application requests information about public or nonprofit status, preferred reimbursement method, planned meal service, eligibility status of enrolled children, administrative and food service budgets, and staffing patterns. It also asks for a management plan that includes information about training and reviewing facilities, and distributing reimbursement to facilities for the meals they served.

Application for Day Care Homes

This is a short form that asks questions about licensing, enrolled children, and the meals served in each home. The form can be completed either by the sponsoring organization or by the home.

Agreement Between Sponsoring Organization and Homes

This form outlines the rights and responsibilities of the provider and the sponsoring organization. Both the provider and the sponsoring organization must sign the form.

Agreement

This form spells out the responsibilities of the institution and the administering agency. It outlines the institution's approved administrative budget and the types of reimbursement the institution will receive. It includes the civil rights assurance and a list of centers and/or homes approved to operate a food service under the CCFP. The administering agency and the institution must sign the agreement.

CCFP Child Care Requirements for Nonlicensed Institutions

This form is filled out by institutions that want approval under the CCFP Child Care standards.

State Child Care Requirements for Nonlicensed Institutions

This form is developed by the administering agency for each State. Institutions desiring to comply with State child care standards will use this form.

Application and Agreement for Food Service Equipment Assistance

Institutions must complete this application when they desire funds from the administering agency to purchase food service equipment.

Policy Statement

This states the institution's status or the status of its facilities as pricing or nonpricing programs. It includes the use of current Family Size and Income Eligibility Guidelines, and the institution's assurance that children will not be discriminated against during the course of the food service. More information on this policy is provided in Chapter V of this manual.

Signing the Forms - Authorized Representative

All of the forms described in this section must be signed by the person elected or appointed to assume legal responsibility for the institution, or the person to whom this authority has been delegated. If a delegated person signs the form, the institution must provide a letter with its application stating this delegation of authority. The legal representative may vary from one institution to the next. Signator might be the chairman of the board of directors, the president of the institution, a public official like the mayor (if a public institution), or the superintendent of education. The pastor of a church may be able to sign for church-sponsored programs if the governing body of the church has authorized the pastor to assume this responsibility.

Section B.

Seriously Deficient Institutions

For a variety of reasons, the administering agency may not approve an institution's application or may discontinue an institution's participation in the program. Some of these reasons are:

- * Being seriously deficient in the operation of any Federal child nutrition program within the past 3 years, unless the administering agency and the USDA determine that necessary corrective action has been taken that will prevent the deficiency from occurring again;
- * Submitting false information;
- * Failing to keep records;
- * Claiming for meals not served to children;
- * Serving meals that do not meet program requirements;
- * Not complying with bid or contract requirements;

- * Failing to submit all claims for reimbursement in any prior year;
- * Failing to adjust meal preparation or meal orders to meet the needs of children who are actually present;
- * Using food service management companies that are in violation of health codes;
- * Failing to return disputed startup or advance payments to the administering agency;
- * Failing to disburse payments to centers or homes according to the approved management plan.

If an institution's application for participation, or request for advance or startup payments is denied, the institution may request an appeal of the denial through the fair hearing procedure.

Section C.

Appeals and Fair Hearings

A sponsoring organization or independent child care or outside-school-hours care center may appeal adverse administrative actions through the fair hearing system. Such administrative actions include:

- * Denial of the institution's application for participation;
- * Denial of an application submitted by a sponsoring organization on behalf of a facility;
- * Termination or suspension of an institution or facility;
- * Denial of the institution's application for startup funds;
- * Denial of an advance payment;
- * Denial of all or a part of a claim for reimbursement;
- * Demand for the remittance of an overpayment.

A number of specific steps must be followed in the fair hearing system. Under the CCFP regulations, each administering agency must develop a procedure to provide for the fair hearing and appeal of the above actions. If the regional office of USDA serves as the administering agency, the Administrative Review Staff in Washington, D.C., handles the fair hearing and appeals procedure.

The administering agency must provide institutions with the proper procedure to follow in the event of an adverse administrative action. An institution must file a written request for an appeal within 15 calendar days of receiving notification that one of the above actions has been taken against it.

Section D.

Assistance From the Administering Agency

The administering agency will help the institution apply for the program, learn program requirements, and correct any food service problems it may have. The administering agency will:

- * Provide a sufficient number of people to administer the CCFP;
- * Provide training on program rules and regulations, record-keeping requirements, application procedures, food service operations, meal service techniques, and financial management;
- * Review institutions and facilities to ensure that programs operate in accordance with program regulations. Provide guidance to institutions and facilities when necessary;
- * Provide for audits of institutions at least once every 2 years;
- * Each year, notify all nonparticipating institutions and facilities about the availability of the program and the benefits it provides;
- * Process applications and approve or deny them in a timely manner;
- * Assist centers and homes in getting alternate approval as a child care facility when they have problems obtaining a license;
- * Reimburse institutions for eligible meals and other allowable expenses;
- * Provide commodities or cash in lieu of commodities;
- * Provide forms, publications, and guidelines to help institutions and facilities operate the program;
- * Establish an appeal procedure to follow when the administering agency makes a decision that affects participation or reimbursement;
- * Make sure that institutions and/or facilities do not discriminate against anyone because of their race, color, or national origin.

**OTHER USDA
ASSISTANCE**

CHAPTER IV.

OTHER USDA ASSISTANCE FOR CHILD CARE INSTITUTIONS

USDA provides three other types of assistance to institutions (in addition to program reimbursement) through the Special Milk Program, food service equipment assistance, and through USDA-donated foods (or cash instead of donated foods).

Section A.

Special Milk Program

Institutions participating in the CCFP have the option of either serving snacks (supplements) under the CCFP or participating in the Special Milk Program. Institutions and facilities cannot serve snacks under the CCFP and also participate in the Special Milk Program. Most institutions prefer to serve a snack under the CCFP, since reimbursement is higher and a variety of food is available to the child. Institutions must keep separate records for each program. Centers or homes that want to participate in the milk program are paid a certain amount for each half pint of milk served in addition to the first half pint served at breakfast, lunch, or supper. In other words, the second half pint served at lunch is eligible for reimbursement. Milk served instead of a snack between meals is also eligible for reimbursement under the milk program.

Institutions must be sure to keep separate records so they can account for the number of half pints of milk served daily. The administering agency will provide institutions with more information on how to apply for and participate in the Special Milk Program.

Section B.

Food Service Equipment Assistance

Food service equipment assistance is the term given to the Federal funds that are available to institutions to buy or rent food service or kitchen equipment. Funding is provided for equipment that will be used to begin, continue, or expand food service operations under the CCFP.

Any organization that has applied for or is participating in the CCFP may apply for food service equipment assistance. At the beginning of every fiscal year, each administering agency receives a certain amount of funds specifically for food service equipment assistance. Within 30 days after the administering agency receives the funds, it will notify all institutions that the funds are available. It may also explain the criteria it requires to determine which institutions are especially needy, the application procedure, and the application deadline date. Each administering agency includes its definition of "especially needy" in its approved plan for operating the program.

Unless the administering agency determines that an institution is especially needy, the institution will have to provide at least one-fourth of the cost of the equipment bought with USDA funds, with institution funds, or funds from other State or local sources. Institutions cannot use other Federal funds to match USDA funds. If the administering agency determines that an institution is especially needy, it may be able to be reimbursed for the full cost of the equipment.

The administering agency will notify every institution within 30 days whether or not their application for food service equipment assistance is complete and correct. The administering agency has 60 days from the time it receives the application to approve or deny it. The administering agency may approve applications received after the deadline date. However, late applications will receive a lower priority than those applications received on time.

If an institution meets all the requirements for CCFP participation except for the licensing requirements, and if the institution satisfies all the requirements for licensing except for a food service equipment requirement, the administering agency may be able to pay the supplier directly for the purchase of the needed equipment. This lets the institution get the equipment it needs to be licensed, and the license it must have to participate in the CCFP. The administering agency will retain legal title to the equipment until the institution signs an agreement with it to participate in the CCFP.

The administering agency may have a reserve of up to 10 percent of its annual food service equipment assistance funds to pay for equipment needed by nonlicensed institutions and to pay for equipment needed immediately to keep a program operating. If an institution's application for equipment is approved, the institution and the administering agency will sign an agreement. This agreement will include certification that the institution will participate in the CCFP and use the equipment primarily in connection with the program. The administering agency will tell institutions how to receive payment for equipment that it has approved for purchase.

Keep in mind that the administering agency may not have enough funds to help all institutions buy equipment. Administering agencies establish a priority system to determine which institutions most need these USDA funds.

Section C.

Commodities or
Cash in Lieu
of Commodities

Commodities are foods that USDA purchases in large quantities. Depending on the season and the crops, USDA may buy beef, canned or fresh fruits and vegetables, wheat products, peanut

butter, or any number of other products. USDA then distributes these foods through State outlets to hospitals, prisons, schools, and other federally funded food programs such as the CCFP.

Institutions that participate in the CCFP have the option of receiving USDA-donated commodities or cash in lieu of commodities, in addition to CCFP reimbursement for meals served. Each year, the administering agency will survey each institution about its preference for receiving either donated commodities or cash in lieu of commodities. It will also provide information on the types of foods that are plentiful, how these foods are packaged and where the commodities may be obtained.

Some institutions choose cash in lieu of commodities because they have determined that the quantities of food are too large for timely use or because pickup and adequate storage would be difficult for the institution.

Institutions that choose cash in lieu of commodities will receive a per meal payment for each lunch and supper served to enrolled children in addition to the CCFP reimbursement. This payment is equivalent to the dollar value of the commodity allotment the institution would receive if it chooses to receive donated commodities.

The administering agency will compile the number of institutions that wish to receive commodities or cash in lieu of commodities, and will assess the possibility of efficiently distributing the commodities. It will make every effort to provide commodities to those institutions that indicate a preference for commodities. However, if there is a limited number of institutions that choose commodities, the administering agency may provide all institutions with cash in lieu of commodities.

Some administering agencies may be able to allow institutions to change their choice between commodities and cash in lieu of commodities during the fiscal year. Contact the administering agency for more information.

Day Care Homes

USDA has included the payment for cash in lieu of commodities in the food service rates of reimbursement for day care homes. It has been included based on the assumption that most sponsoring organizations of day care homes would not choose to distribute commodities to the homes under its sponsorship.

When a sponsoring organization of homes wishes to receive commodities, the home food service rate for lunches and suppers will be reduced by the value of the commodities it receives. The administering agency will be able to tell the institution the cash value of commodities.

FREE / REDUCED- PRICE MEALS

Reimbursement for meals served to children enrolled in child care centers and outside-school-hours care centers is based on the numbers and types of meals served and the eligibility of enrolled children for free, reduced-price, and paid meals. The administering agency calculates institution reimbursement rates that are based on the number of enrolled children that are eligible for free and reduced-price meals. For this reason, children's eligibility information must be maintained by all independent child care centers, outside-school-hours care centers and organizations sponsoring these types of facilities. The following section includes information on the institution's free and reduced-price policy statement, collecting children's eligibility information, and the required public release.

Section A.

Free and Reduced-Price Policy Statement

A policy statement is a document that the institution submits to the administering agency that lists its, and the center's, operating procedures and practices for the service of free and reduced-price meals. Each institution must submit a written policy statement for approval with its annual application for participation. No institution may be approved or renewed for participation in the program unless this policy statement is approved by the administering agency. The policy statement includes the institution's status or the status of its facilities as pricing or nonpricing programs, provides assurance that there will be no overt identification of children who receive free and reduced-price meals, and that no child will be discriminated against because of race, color, or national origin. The administering agency can provide institutions with a sample of the policy statement that is necessary for the approval of their application.

Section B.

Pricing Programs

There are two types of pricing systems in the program, both of which involve the program's free and reduced-price meal policy. They are "pricing" and "nonpricing" programs. Pricing programs are those in which a separate charge is made for the meal to make up the difference between the CCFP reimbursement for meals and the actual cost of serving those meals to enrolled children. This may be a direct payment from the child at the time the meal is served or it can be included as part of a tuition payment specifically earmarked for food service. Institutions that receive payments this way must follow specific rules according to the CCFP regulations that include:

1. Identifying the method that is used to accept applications for free and reduced-price meals,

2. Identifying the method used to collect payments from children paying the full or reduced price of the meal that will protect the anonymity of the children,
3. A hearing procedure for the institution to challenge the eligibility determination for free or reduced-price meals and,
4. Specific guidelines that must be followed concerning the charge that may be made for the meals.

Institutions should contact their administering agency for specific guidelines concerning pricing programs.

Section C.

Nonpricing Programs

Nonpricing programs are those in which no separate charge is made for the meals served to children. The majority of institutions that participate in the CCFP are nonpricing programs. Sponsoring organizations of day care homes cannot serve meals at a separate charge to children enrolled in the homes, and therefore must participate as nonpricing programs. In a nonpricing program, if a payment is required for the child, it is made in the form of a general tuition charge that covers all areas of child care services provided by the institution. There are no tuition payments specifically earmarked for food service. Therefore, there is no separate charge for the meals, nor is money exchanged at the mealtime. Sponsoring organizations of day care homes and other nonpricing institutions must develop a policy statement that consists of an assurance that all children are served the same meals at no separate charge, regardless of race, color, or national origin, and that there is no discrimination in the course of the food service. The administering agency will provide institutions with guidance about the standard policy statement.

Section D.

Eligibility

CCFP reimbursement for meals served in child care centers and outside-school-hours care centers is based on the numbers and types of meals served to enrolled children and the eligibility of the enrolled children. USDA reimburses all three categories of meals (free, reduced-price, and paid) at different rates of payment per meal and eligibility category. For this reason, family size and income information must be collected from parents of children enrolled in child care centers and outside-school-hours care centers at least once each year. Institutions usually collect family size and income information at the time of application for program participation. The information collected from the parent(s) must be compared to the administering agency's Family Size and Income Eligibility Guidelines in order to determine the eligibility category in which the child's meals fall. The income standards for CCFP

eligibility for free and reduced-price meals are standards prescribed annually on the basis of the Secretary of Agriculture's Income Poverty Guidelines for Determining Eligibility for Free and Reduced-Price Meals under the National School Lunch Program and the School Breakfast Program. The administering agency will make these income standards available to all institutions that participate, or wish to participate in the CCFP.

A free meal is a meal served to a child whose family information (family size and gross income) is at or below the eligibility standards for free meals according to the Family Size and Income Eligibility Guidelines. The institution must ensure that a current income eligibility application from the parent(s) is on file to document that the child is eligible for free meals.

A reduced-price meal is a meal served to a child whose family information (family size and gross income) does not meet the requirements for free meals, but is at or below the eligibility standards for reduced-price meals according to the Family Size and Income Eligibility Guidelines. The institution must ensure that a current income eligibility application from the parent(s) is on file to document that the child is eligible for reduced-price meals.

A paid meal is a meal served to a child whose family information (family size and gross income) does not meet the eligibility standards for free or reduced-price meals according to the Family Size and Income Eligibility Guidelines, or for which no income eligibility application has been filed by the parent(s).

How to Obtain Eligibility Information

Each institution that participates in the CCFP must obtain family size and gross income information for each child enrolled in child care centers and outside-school-hours care centers. This information must be on file to document the eligibility of the enrolled children for free and reduced-price meals. This information is usually obtained from an income eligibility application that is sent to and returned by the parent(s). This family information (family size and gross income) must be collected annually by the institution. The Reference section includes a copy of a sample letter to parents and an income eligibility application that can be used to obtain eligibility information (Attachments E and F).

In certain cases, institutions may have already acquired current information from parents in order to determine the child's eligibility for other programs, such as Head Start or Title XX. If this is the case, the family size and gross income listed on the application form for these programs may be used as documentation for the CCFP instead of requiring another application from parents.

However, institutions must still compare this information to the administering agency's Family Size and Income Eligibility Guidelines before certifying the eligibility of a child and reporting the information to the administering agency.

Occasionally, a welfare agency may place a foster child in the program. In order to determine the child's eligibility for free or reduced-price meals, the determining official may consider the child to be a family of one, and the child's income is the welfare payment for his or her care. If the institution cannot get information on the family size and gross income of an enrolled child or does not want to ask the parent(s) for this information, the child's meal must be classified as a "paid" meal.

The administering agency will provide guidance on any questions institutions may have about determining the eligibility of enrolled children.

Section E.

Public Release

Institutions must annually notify the public of their intention to operate a USDA-funded food service in order to comply with the CCFP's free and reduced-price meal policy rules. This notice must include the statement that the institution does not discriminate against any child because of race, color, or national origin. The institution must send a copy of this public release, along with other information it wishes to tell the public about the organization, to one or more newspapers, radio or television stations that serve its area. The institution should keep one copy for its files and send one copy to the administering agency. Whether or not the media use the public release, the institution has fulfilled its responsibility when it sends the release to them. Any brochures, news articles, or bulletins the institution sends out to the public should state that admission is open to all children regardless of race, color, or national origin. The Reference section includes a copy of sample public releases that may be used by pricing and nonpricing programs (Attachments G and H).

Section F.

Identification of Needy Children

The CCFP rules require that there can be no obvious identification of needy children. Therefore, the information parents submit on free and reduced-price statements and the eligibility status of the child is confidential. Programs that have a separate charge to the child for meals must be careful not to identify the needy child during the actual meal service.

MEAL PATTERNS

This chapter outlines the meal patterns required by the CCFP regulations. USDA developed the meal patterns based on research on the nutritional needs of young children. It has been demonstrated that these general meal patterns supply children with most of the nutrients necessary for good health.

The administering agency may approve variations in the food components of the meal when the institution provides evidence that the variations are nutritionally sound and are necessary to meet ethnic, religious, economic, or physical needs. Substitutions may be made in the meal patterns for children with special medical or dietary needs if the parents of these children provide a statement from a recognized medical authority that specifies recommended alternate foods.

When serving meals, institutions and/or facilities must make available all of the required foods for that meal to each child. Make sure all children remain at the center or home while they eat. Institutions can discuss any problems or concerns they may have with the administering agency.

Section A. Meal Pattern for Infants

Age 0 up to 4 months		
	<u>COMPONENT</u>	<u>QUANTITY</u>
<u>BREAKFAST</u>	Infant formula (iron fortified)	4-6 ounces
<u>SNACK</u> (SUPPLEMENT)	Infant formula (iron fortified)	4-6 ounces
<u>LUNCH OR SUPPER</u>	Infant formula (iron fortified)	4-6 ounces

Age 4 up to 8 months		
	<u>COMPONENT</u>	<u>QUANTITY</u>
<u>BREAKFAST</u>	Infant formula (iron fortified)	6-8 ounces
	Infant cereal (iron fortified)	1-3 Tablespoons
<u>SNACK</u> (SUPPLEMENT)	Infant formula (iron fortified) or Full strength fruit juice	2-4 ounces 2-4 ounces
	Bread or Cracker product	0-¼ slice 1/* 0-2 crackers 1/*

1/ These items are suggested, not required.
* Enriched or whole grain crusty bread or cracker-type product suitable for infants.

<u>LUNCH OR SUPPER</u>	Infant formula (iron fortified)	6-8 ounces
	Infant cereal (iron fortified)	1-2 Tablespoons
	Strained fruit and/or vegetable	1-2 Tablespoons
	Strained meat, fish, poultry or egg yolk	0-1 Tablespoon <u>1/</u>
	or Cheese or Cottage Cheese or cheese food or cheese spread	0-½ ounce <u>1/</u> 0-1 ounce <u>1/</u>

Age 8 months up to 1 year

	<u>COMPONENT</u>	<u>QUANTITY</u>
<u>BREAKFAST</u>	Infant formula (iron fortified)	6-8 ounces
	or Whole fluid milk	6-8 ounces
	and Full strength fruit juice	0-3 ounces
	Infant cereal (iron fortified)	2-4 Tablespoons

<u>SNACK</u> (SUPPLEMENT)	Infant formula (iron fortified)	2-4 ounces
	or Full strength fruit juice	2-4 ounces
	or Whole fluid milk	2-4 ounces
	Bread	0-¼ slice <u>1/</u> *
	or Cracker product	0-2 crackers <u>1/</u> *

1/ These items are suggested, not required.

* Enriched or whole grain crusty bread or cracker-type product suitable for infants.

LUNCH OR SUPPER

Infant formula (iron fortified) 6-8 ounces
or
Whole fluid milk 6-8 ounces
and
Full strength fruit juice 0-3 ounces

Strained fruit and/or vegetable
and/or
Infant cereal (iron fortified)
to total 3-4 Tablespoons

Strained meat, fish,
poultry or egg yolk 1-4 Tablespoons
or
Cheese ½-2 ounces
or
Cottage Cheese or cheese food
or cheese spread 1-4 ounces

1/ These items are suggested, not required.

*Enriched or whole grain crusty bread or cracker-type product suitable for infants.

Section B. MEAL PATTERN AGES 1-12

		Age 1 up to 3	Age 3 up to 6	Age 6 up to 12
BREAKFAST	Fluid milk	1/2 cup	3/4 cup	1 cup
	Juice or fruit or vegetable	1/4 cup	1/2 cup	1/2 cup
	Bread or bread alternate	1/2 slice	1/2 slice	1 slice
SNACK (SUPPLEMENT) Select 2 out of the 4 components	Fluid milk	1/2 cup	1/2 cup	1 cup
	Juice or fruit or vegetable	1/2 cup	1/2 cup	3/4 cup
	Meat or meat alternate	1/2 ounce	1/2 ounce	1 ounce
	Bread or bread alternate	1/2 slice	1/2 slice	1 slice
LUNCH/SUPPER	Fluid milk	1/2 cup	3/4 cup	1 cup
	Meat or poultry or fish	1 ounce	1-1/2 ounces	2 ounces
	or cheese	1 ounce	1-1/2 ounces	2 ounces

or egg	1	1	1
<hr/>			
or cooked dry beans or peas	1/4 cup	3/8 cup	1/2 cup
<hr/>			
or peanut butter	2 tablespoons	3 tablespoons	4 tablespoons
<hr/>			
Vegetables and/or fruits (2 or more)	1/4 cup total	1/2 cup total	3/4 cup total
<hr/>			
Bread or bread alternate	1/2 slice	1/2 slice	1 slice
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Section C.

Preparing Meals

There are a number of ways to provide nutritious meals to children in child care facilities. How the facility prepares and serves food will depend on the facility, the budget of the organization, and additional relevant factors.

1. Onsite Preparation

The most common food service method is preparing meals at the child care facility. This is usually the most economical method when the facility has a kitchen and food preparation equipment. If the facility does not have a preparation area or adequate equipment, the meals may be purchased from a source outside the center, such as a school or food service management company. The meals may be purchased in bulk quantities or as individual units. These meals are then delivered and served to children at the facility.

2. Central Kitchen Preparation

Sponsoring organizations may find they have only one center that has food preparation facilities. In this case, the sponsoring organization may want to have all meals prepared in this central kitchen. The sponsoring organization would then arrange to have trucks or cars pick up meals from the central kitchen and deliver them to the other facilities. This may also be done when the sponsoring organization arranges to have a school provide the meals. The vehicles used to transport the meals must have the equipment needed to keep either hot or cold food at the temperature levels required under State or local health laws.

3. Purchasing from a School

Meals in bulk are usually purchased from a school. Institutions that receive meals from a school must enter into a written agreement with that school. This agreement must contain the basic provisions of the program requirements. The Reference section includes a sample agreement (Attachment I). Signing an agreement with a school to provide meals does not relieve the institution of its program responsibilities for monitoring and recordkeeping. The school should provide a copy of the menus served and, if required by the administering agency, applicable production records.

4. Purchasing from a Food Service Management Company

Food service management companies are organizations other than public or private, nonprofit schools that prepare and deliver meals to institutions. Institutions that receive meals from a food service management company must enter into a written contract with the company. The administering agency can provide the institution with a copy of the standard contract that must be used and guidance on meeting procurement standards. Signing a contract with a food service management company does not relieve the institution of its program responsibilities for monitoring and recordkeeping. Regulations require that a copy of the contract

between each institution and food service management company be submitted to the administering agency before the beginning of program operations under the contract.

Section D.

Procurement Standards

Institutions that get meals from food service management companies should be aware of the procurement provisions governing the CCFP. Procurement guidelines are outlined in detail in the CCFP regulations.

All procurements of \$10,000 or more may need to be formally advertised for contract in accordance with the CCFP regulations. State or local laws may require institutions to advertise for contract of procurements of less than \$10,000. Institutions should check State and local laws for their specific requirements. Administering agencies may require institutions to meet the following requirements when formally advertising a contract:

1. Institutions must notify the administering agency and publicly announce the proposed contract at least 14 calendar days prior to the opening of bids. The announcement must include the time and place of the bid opening and information about obtaining a copy of the complete specification for the institution's proposed meal service.
2. The Invitation For Bid (IFB) must be so clear and accurate that all prospective bidders will have an equal chance of getting the contract.
3. The IFB may not provide for loans or other monetary benefits, terms, or conditions to be made to institutions by food service management companies.
4. Only nonfood items necessary for the food service (such as straws, napkins, or packaging) can be included in the IFB.
5. The bids must be opened publicly.
6. Institutions must submit bids totalling \$50,000 or more to the administering agency for approval.
7. The institution must inform the administering agency which bid it plans to choose. If it is not accepting the lowest bid, it must provide a justification for awarding the contract to a higher bidder.

The procurement standards apply to any contract that equals \$10,000 or more, whether it is for meals, equipment, or other services. All institutions must maintain a code of conduct that

prevents the exchange of anything of monetary value between the contractor and the institution that might influence the award or prohibit maximum open and free competition. Institutions must be alert to conflict of interest situations and avoid them. Institutions may be able to procure goods through noncompetitive negotiation under certain circumstances, but they should consult with their administering agency before any negotiation takes place.

PROGRAM REIMBURSEMENT

The Child Care Food Program provides several kinds of reimbursement and, in some cases, choices in the method of reimbursement. In general, program payments are limited to the number of meals served to enrolled children multiplied by the appropriate rates of reimbursement for each breakfast, lunch, supper, and snack. This formula represents the maximum reimbursement. If the costs of these meals are less than the maximum reimbursement, then institutions receive reimbursement only for documented costs. All institutions may apply for advance payments. In addition, sponsoring organizations for day care homes may apply for startup payments. Some institutions may also receive reimbursement from the Special Milk Program, through food service equipment assistance, or they may receive cash in lieu of commodities.

Institutions cannot claim reimbursement for meals served to any child who is not enrolled for care in a center or home. Institutions cannot claim reimbursement for those meals served in excess of the authorized capacity of each center or home.

Section A.

Advance Payments

All participating institutions are eligible to receive advance payments. Advance payments should equal an institution's average monthly reimbursement. The administering agency makes advance payments available on the first of each month for expenses incurred for the rest of that month. Institutions may choose to receive all or part of their advance payment or they may choose not to receive any advance payments.

The first advance payment of each fiscal year will equal the average monthly reimbursement the institution received during the last 6 months of operation. The administering agency will estimate the average monthly reimbursement for new institutions.

When an institution submits its claim for reimbursement at the end of each month, the administering agency will compare it to the amount the institution is receiving in its advance payment. If it is receiving more money in its advance payment than it is claiming at the end of each month, the administering agency may adjust the institution's advance payment to more closely reflect its claim for reimbursement.

The administering agency will not advance money to the institution if it believes the institution will not be able to submit a valid claim for reimbursement for any month. Also, the administering agency may not advance an institution money if the institution is slow in submitting claims for reimbursement. Claims for reimbursement must be sent to the administering agency by the 10th day of the

month following the month the claim represents. If the administering agency withholds an institution's advance payment, it must tell the institution why and give the institution an opportunity to appeal the decision through its fair hearing procedure.

Advance Payments to Sponsoring Organi- zations of Day Care Homes

Each sponsoring organization that has chosen to receive advance payments for day care homes may disburse advances to homes immediately after receiving them from the administering agency. However, some sponsoring organizations may require that the home submit its monthly records before it pays CCFP funds to the home. In cases like this, the sponsoring organization must disburse the advance payment to the home no later than 5 working days after the home submitted its records for that month. Each sponsoring organization must maintain all program payments in a non-interest-bearing account between the day it receives them from the administering agency and the day the funds are disbursed to its facilities.

Section B.

Startup Payments

Administrative startup payments are available to prospective sponsoring organizations of day care homes, participating sponsoring organizations of child care centers or outside-school-hours care centers, independent centers and participating sponsoring organizations of fewer than 50 day care homes. Startup payments are for sponsoring organizations that want to develop or expand program operations in day care homes.

The administering agency will approve startup payments only once for any eligible sponsoring organization. Sponsoring organizations that want to apply for startup payments must show the administering agency that they:

- * Are public or nonprofit, as explained in the tax-exempt status section of this manual. However, sponsoring organizations that are taking steps toward complying with the requirements for IRS tax-exempt status must demonstrate current tax-exempt status under State law and regulations.
- * Have an organizational history of managing funds and ongoing activities in public or private programs.
- * Have an acceptable and realistic plan for recruiting day care homes to participate in the program. This plan may be based on estimates of the number of day care homes to be recruited and information supporting their existence.
- * Have developed an acceptable sponsor management plan on the application for CCFP startup funds. This plan is a preliminary outline of staff commitment and proposed activities for recruiting day care homes.

The administering agency will notify the sponsoring organization that it has approved or denied startup payments within 30 days after it receives the sponsoring organization's completed application. If the sponsoring organization sends in an incomplete application, the administering agency will notify the sponsoring organization that it is incomplete within 15 days after the administering agency receives it. It will help the sponsoring organization complete the application if it needs assistance. If the administering agency denies the sponsoring organization's application for startup payments, it must tell the sponsoring organization why and give it an opportunity to appeal the decision under the fair hearing procedure.

If the administering agency approves the sponsoring organization's application for startup payments, the sponsoring organization will then sign an agreement with it. The agreement states how the sponsoring organization will use the money and how long the sponsoring organization has to initiate or expand program operations in day care homes. It also makes clear that the sponsoring organization must pay back the money if it is not used in accordance with the agreement.

Startup payments are equal to between 1 and 2 months' worth of the anticipated administrative reimbursement as determined by the administering agency. However, no sponsoring organization may receive startup payments for more than 50 homes. Sponsoring organizations that have fewer than 50 homes at the time they apply for startup payments will only receive payments for the number of additional homes needed to total 50 homes.

Sponsoring organizations must make every effort to start program activities within the time frames set in the agreement. If the sponsoring organization cannot do this, the administering agency may demand repayment of all or part of the startup money. In all cases, sponsoring organizations must repay the administering agency for all the startup money they receive that is in excess of their actual costs for the activities listed in the agreement for startup payments.

Section C.

Reimbursement to
Sponsoring Organi-
zations of Day Care
Homes

Reimbursement for sponsoring organizations of day care homes is different from reimbursement for centers. The reimbursement is separated into administrative payments for sponsoring organizations and food service payments for their homes.

1. Administrative
Payments

Program regulations set maximum limits on the amount of administrative payments sponsoring organizations of family day care homes can receive. When submitting claims for reimbursement,

these sponsoring organizations will tell the administering agency how many homes operated during the month and what the sponsoring organization's actual administrative costs were. Administrative payments will be made to sponsoring organizations based on the lesser of the following annual amounts:

1. Actual administrative costs or
2. The monthly rate per-home or
3. The administrative budget or
4. Thirty percent of the total estimated cost of the program (home rates plus administrative costs).

The monthly per-home administrative rate is taken from a scale that is based on the total number of homes operated. The per-home administrative rate for the first 25 homes is the highest; for the next 50 homes, it is slightly less, and, for any additional homes, it is even less. Administrative reimbursement rates are adjusted each July 1. The Reference section lists the current rates (Attachment J).

2. Food Service Payments

Sponsoring organizations of day care homes receive food service payments for each meal served to enrolled children in day care homes. These food service rates represent a day care home provider's food and labor costs. Sponsoring organizations must pass the full amount of the food service payment on to providers unless the sponsoring organization has a written agreement with the provider to provide food or vended meals to the home. In this case, the sponsoring organization may keep part of the food service payment to cover the cost of food or vended meals.

All meals of each type served are reimbursed at a single rate for that meal type, regardless of the family's size and income of the children enrolled for care in the day care homes. Day care home providers cannot be required to keep documentation of home operating costs. Day care home providers will receive the full food service rate for each meal type regardless of the cost of those meals. The reimbursement rates will be adjusted every January 1 and July 1 to reflect changes in the Consumer Price Index for Cost of Food Away from Home. The Reference section lists the current rates (Attachment J).

Section D.

Reimbursement for Centers

Reimbursement for participating independent centers and sponsoring organizations of centers is calculated differently from reimbursement to sponsoring organizations of day care homes. Rates of reimbursement for meals served in centers are also adjusted every January 1 and July 1 to reflect changes in the Consumer Price Index. The administering agency will notify

participating institutions of changes in the reimbursement rates. Reimbursement rates used in the examples on the following pages are effective May 1, 1980 through June 30, 1980, in accordance with the new CCFP regulations. These are listed in the Reference section (Attachment K). The examples should only be used as a guide for calculating reimbursement.

CCFP regulations provide four methods of reimbursement for independent child care centers, independent outside-school-hours care centers, and sponsoring organizations of these types of centers. These methods are:

1. Tiering method
2. Claiming percentages
3. Blended rates
4. Actual count of the number of meals served to children eligible for free, reduced-price, and paid meals.

The administering agency chooses between claiming percentages, blended rates, or the actual count method to be the reimbursement method for all institutions under their authority to use. Each institution must then choose between the use of the tiering method or the alternate method chosen by the administering agency.

Regardless of the reimbursement method it chooses, the actual program reimbursement an institution will receive will be the lesser of (1) maximum potential reimbursement determined by the number of meals served by type, multiplied by the appropriate reimbursement rates, or (2) the actual cost of food service (including the documented cost for both administering and operating the program) minus any income that has accrued to the institution's food service program.

Note: Institutions should recognize that all of the reimbursement examples on the following pages do not include the reimbursement that institutions receive in the form of donated commodities or cash in lieu of commodities (based only on the lunches or suppers served). If an institution is receiving cash in lieu of commodities, additional funds will be added to the reimbursement on the basis of the number of lunches or suppers served.

1. Tiering Method

The tiering method of reimbursement is based on the number of enrolled children who qualify as eligible for free and reduced-price meals in comparison to the total number of children enrolled in the institution. There are three tiers, and the one in which an institution falls depends on the total percentage of enrolled children eligible for free and reduced-price meals.

If the tiering method is used, calculate maximum reimbursement according to the following formula:

$$\begin{array}{lcl} \text{Number of meals, by type} & \times & \text{Appropriate rate} \\ \text{served to eligible children} & & \begin{array}{l} \text{(by meal type} \\ \text{served and by tier} \\ \text{for which the insti-} \\ \text{tution is eligible)} \end{array} \end{array} = \begin{array}{l} \text{Maximum potential} \\ \text{reimbursement} \end{array}$$

a. Tier One

If two-thirds or more of the children served by the institution are eligible for free and reduced-price meals, the institution qualifies as a Tier One institution. All meals served in Tier One institutions will be reimbursed at the free rate. For example, assume that a Tier One institution's maximum reimbursement is 97.25 cents for each lunch or supper served, 49.25 cents for each breakfast served, and 29.00 cents for each snack served, provided, of course, that each meal is served following program regulations.

Assume that this institution has an enrollment of 60 children, 20 of whom are eligible for free meals and 28 of whom are eligible for reduced-price meals. Eighty percent of this institution's children are in free and reduced-price categories. This institution would, therefore, qualify as a Tier One institution.

If this institution serves a total of 1,160 lunches to the enrolled children through the course of a month, the potential reimbursement, using the formula described, will be \$1,128.10.

$$\begin{array}{lcl} 1,160 & \times & 97.25\text{¢} \\ \text{(lunches served)} & \text{(Tier One} & = \$1,128.10 \\ & \text{free rate} & \text{(Maximum potential} \\ & \text{for lunches)} & \text{reimbursement for lunch)} \end{array}$$

b. Tier Two

If more than one-third and less than two-thirds of the children served by the institution are eligible for free and reduced-price meals, then the institution qualifies as a Tier Two institution. All meals served in Tier Two institutions will be reimbursed at the reduced-price rate. For example, assume that a Tier Two institution's maximum reimbursement is 77.25 cents for each lunch or supper served, 40.50 cents for each breakfast served, and 22.00 cents for each snack served, provided, of course, that each meal is served following program regulations.

Assume that an institution has an enrollment of 60 children, 20 of whom are eligible for free meals and 10 of whom are eligible for reduced-price meals. With 50 percent of the enrollment eligible for free and reduced-price meals, this institution would qualify as a Tier Two institution. Using the formula, if the institution serves a

total of 1,160 lunches to the enrolled children throughout the course of a month, its potential reimbursement will be \$896.10.

$$\begin{array}{rcl} 1,160 & \times 77.25\text{¢} & = \$896.10 \\ \text{(lunches served)} & \text{(Tier Two} & \text{(Maximum potential} \\ & \text{reduced-} & \text{reimbursement for lunch)} \\ & \text{price rate} & \\ & \text{for lunches)} & \end{array}$$

c. Tier Three

If less than one-third of the children served by the institution are eligible for free and reduced-price meals, then the institution is considered a Tier Three institution. All meals served in Tier Three institutions will be reimbursed at the paid rate. For example, assume that the Tier Three institution's maximum reimbursement is 17.75 cents for each lunch or supper served, 14.00 cents for each breakfast served, and 7.25 cents for each snack served, provided, of course, that each meal is served following program regulations.

Assume that this institution has an enrollment of 60 children, 5 of whom are eligible for free meals and 7 of whom are eligible for reduced-price meals. With less than one-third of the enrolled children eligible for free or reduced-price meals, this institution would qualify as a Tier Three institution. Using the formula, if the institution serves a total of 1,160 lunches to enrolled children throughout the course of a month, its potential reimbursement will be \$315.06.

$$\begin{array}{rcl} 1,160 & \times 17.75\text{¢} & = \$315.06 \\ \text{(lunches served)} & \text{(Tier Three} & \text{(Maximum potential} \\ & \text{paid rate} & \text{reimbursement for lunch)} \\ & \text{for lunches)} & \end{array}$$

Tier One and Tier Two institutions will increase their program earning potential if they choose the tiering method. Only Tier Three institutions (serving less than one-third needy children) should choose the alternate method, since it will allow them to be reimbursed at the free or reduced-price rate for the meals served to children whose family's size and income qualify them for those rates.

2. Claiming Percentages

When an institution's reimbursement is calculated on the basis of claiming percentages, the following formula is used:

$$\begin{array}{rcl} \frac{\text{Number of children} & \times & \text{Total number of} & \times & \text{Rate for} & & \\ \text{eligible for free} & & \text{given meal type} & & \text{free meals} & + & \\ \text{meals}}{\text{Total Enrollment}} & & \text{served} & & \text{(of the} & & \\ & & & & \text{given type)} & & \end{array}$$

Number of children eligible for reduced- price meals	X Total number of given meal type served	X Rate for reduced- + price meals (of the given type)
<u>Total Enrollment</u>		

Number of children eligible for paid meals	X Total number of given meal type served	X Rate for paid meals (of the given type)
<u>Total Enrollment</u>		

= Total Potential Reimbursement (by meal type)

Assume that an institution has an enrollment of 60 children, 10 of whom are eligible for free meals, 5 for reduced-price meals, and 45 for paid meals. Using the above formula, if the institution serves 1,160 lunches, the computation (and potential reimbursement for the lunches) would be as follows:

FORMULA	INSTITUTION'S CALCULATIONS:
<u>Children eligible for free meals</u>	<u>10</u>
<u>Total enrollment</u>	<u>60</u>
X	X
Total number of meal type served	1,160
X	X
Rate for free meals	97.25¢
+	+
<u>Children eligible for reduced- price meals</u>	<u>5</u>
<u>Total enrollment</u>	<u>60</u>
X	X
Total number of meal type served	1,160
X	X
Rate for reduced-price meals	77.25¢
+	+
<u>Children eligible for paid meals</u>	<u>45</u>
<u>Total enrollment</u>	<u>60</u>

X	X
Total number of meal type served	1,160
X	X
Rate for paid meals	17.75¢
=	=
Maximum potential reimbursement for lunch	\$417.02

Claiming percentages vary for each institution, depending on the number of children eligible for free, reduced-price, and paid meals.

3. Blended Rates

When reimbursement is calculated on the basis of a blended rate for each meal type, claiming percentages are incorporated into the following formula:

$\frac{\text{Number of children eligible for free meals}}{\text{Total enrollment}}$	= Claiming percentage for free meals
$\frac{\text{Number of children eligible for reduced-price meals}}{\text{Total enrollment}}$	= Claiming percentage for reduced-price meals
$\frac{\text{Number of children eligible for paid meals}}{\text{Total enrollment}}$	= Claiming percentage for paid meals

Blended Rate

Claiming percentage	X Appropriate per meal reimbursement rate	= Per meal blended rate total
Number of meals served by type	X Blended rate per meal type	= Potential reimbursement for that meal type

Assume that an institution has an enrollment of 60 children, 10 of whom are eligible for free meals, 5 for reduced-price meals and 45 for paid meals. Using the above formula, if it serves 1,160 lunches, the calculation of the blended rate for lunches and the computation of potential reimbursement for the lunches would be as follows:

Claiming Percentage

<u>FORMULA</u>	<u>INSTITUTION'S CALCULATIONS</u>
Number of children eligible for free meals	10
÷	÷
Total enrollment	60
=	=
Claiming percentage for free meals	16.67 percent
<hr/>	
Number of children eligible for reduced-price meals	5
÷	÷
Total enrollment	60
=	=
Claiming percentage for reduced-price meals	8.33 percent
<hr/>	
Number of children eligible for paid meals	45
÷	÷
Total enrollment	60
=	=
Claiming percentage for paid meals	75.00 percent

Multiply claiming percentage X reimbursement rates = Per meal type blended rate.

Claiming percentage for free meals		16.67 percent
X		X
Free rate for lunch		97.25¢
+		+
Claiming percentage for reduced-price meals		8.33 percent
X		X
Reduced-price rate for lunch		77.25¢
+		+
Claiming percentage for paid meals		75 percent
X		X
Paid rate for lunch		17.75¢
=		=
Blended rate for lunch		\$.3595
1,160 Lunches served	X \$.3595 Blended rate for lunch	= \$417.02 Maximum potential reimbursement for lunch

The blended rates vary for each institution depending on the number of children eligible for free, reduced-price, and paid meals.

4. Actual Meal Count by Eligibility Category

When reimbursement is calculated on the basis of the actual numbers of meals (by type) served to enrolled children who are eligible for free, reduced-price, and paid meals, the following formula is used:

Number of meals (by type) served to children in free category	X	Rate for free meals +
Number of meals (by type) served to children in reduced-price category	X	Rate for reduced-price meals +

Maximum potential reimbursement (by meal type)

FORMULA

INSTITUTION'S CALCULATIONS

200

x

97.25¢

+

90

x

77.25¢

+

870

x

17.75¢

11

\$418.46

- 78

the range of their reimbursement. Careful management is required to insure that meal quality remains high, while operating costs remain within the range of reimbursement payments.

Estimating reimbursement can be used as an effective management tool for food service operations, menu planning, and staffing.

In order to estimate reimbursement, institutions need to know:

- * The total number of meals, by type, served in a month (or the estimated number of meals to be served during the year), or the number of meals served by type and eligibility category, if the institution calculates claims based on the actual number of meals served to children eligible for free, reduced-price and paid meals.
 - * Their tier classification, claiming percentages, or blended rates.
 - * The current rates of reimbursement.
- and
- * The actual cost of operating the program during the month, or the estimated annual cost of operating the program.

Section E.

Claims for Reimbursement

All institutions must send the administering agency accurate monthly reports on the number of meals served and the actual costs incurred for CCFP operations. Institutions submit these monthly reports on claim for reimbursement forms. Institutions must file their claims with the administering agency by the 10th day of the month following the month covered by the claim. Institutions cannot combine more than 10 days of the beginning or ending month of program operations on the claim for the prior month or following month. In other words, if an institution's program operates for less than 10 days during a month, it can combine the claim for those 10 days with either the prior month's claim or the following month's claim. If an institution's program operates for more than 10 days in a month, it must send a separate claim for that month to the administering agency.

The administering agency may suspend an institution's agreement if no claim for reimbursement is received from an institution within 90 days after the end of the month that the claim is for. After 90 days have gone by without receiving a claim, the administering agency will notify the institution that no claims have been received and give the institution an additional 15 days to file a claim. If the

claim is not postmarked or received within 15 days, the administering agency may suspend the institution's agreement, disallow the claim, or elect not to take any action.

Administering agencies may use slightly different claim forms. However, all claim forms will, at a minimum, ask for the following information:

- . Number of meals served
- . Days of operation
- . Number of centers or homes participating
- . Operating costs
- . Administrative costs
- . Income to the program
- . Average daily attendance.

Chapter VIII includes information on the records institutions will need to keep to support their claims.

1. Processing Claims for Reimbursement

The administering agency will pay all valid claims for reimbursement within 45 days after receiving them. If an institution sends in an incomplete or incorrect claim, within 15 days after it receives the claim, the administering agency will tell the institution what the problem is and how it can correct the claim. If the administering agency disallows all or part of a claim, it will tell the institution why, and give it an opportunity to appeal the decision under the fair hearing procedure. If an institution knows before it submits its claim that some of its meals or costs were not allowable, the institution may submit a separate claim for those disallowances. Filing a separate claim in those cases prevents the institution's entire month's claim for reimbursement from being delayed.

2. Participation Controls

The administering agency may not reimburse an institution for meals served to children in excess of the authorized capacity of each center or facility. Claims will not be processed for payment if they show that a greater number of meals were served than the authorized limit on the license for the center or facility. However, if the center or facility serves children in shifts (for example, if a meal type is served at two different times to two different groups of children), and does not violate the authorized capacity, the institution will receive reimbursement for the meals. Institutions serving meals in shifts must be sure to clearly indicate this on the application form.

RECORDKEEPING

Keeping accurate records is vital to getting reimbursed under the program. These records substantiate the costs that will be claimed for reimbursement. They are also proof that sponsoring organizations, centers, and facilities used program funds properly for the food service program. Without accurate records, the administering agency cannot pay USDA's CCFP reimbursement.

The following section contains information about costs that may be claimed under the program and the types of records that must be kept to justify these costs. The administering agency can also provide help in answering any questions about the required records, or about systems for collecting and maintaining the necessary records. The Reference section includes a checklist of the required records (Attachment L).

Section A.

Retention of Records

All records related to any USDA-reimbursed food service program must be kept for 3 years after the end of the fiscal year in which the program operated. For example, records related to reimbursement for the fiscal year 1979 (October 1, 1978 through September 30, 1979) must be kept until October 1, 1982. The institution may dispose of fiscal year records in October 1982 only if there are no unresolved audit findings or the program is not under investigation.

These records must be readily available, upon request, to authorized administering agency representatives. For this reason, and for good management practices, it is important that institutions set up an organized filing system so that all records are easily accessible.

Section B.

Recordkeeping System

Institutions must maintain an efficient recordkeeping system that supports all costs claimed under the program. Since institutions must keep many records on a daily basis, they should establish a regular pattern and assign certain people to keep specific records. An orderly system for filing records is essential and will save time each month when institutions complete the claim for reimbursement. In addition, this material should be readily available for review or audit by the administering agency and other representatives of the USDA.

In order to complete the claim for reimbursement, institutions must keep daily records of the number of meals by meal type served to children and program adults as well as records of all costs incurred. Sponsoring organizations must develop procedures for collecting this information from all child care facilities under their jurisdiction. Their application for participation must include an outline of the procedures for collecting facility records. The application should also specify where this information will be filed.

Institutions can send copies of the forms that they will use to collect daily meal service information along with their applications. This will allow the administering agency to advise institutions whether or not the forms are adequate for collecting the required information. The administering agency may provide institutions with specific forms that it requires for keeping daily records. The Reference section includes sample daily meal count and daily menu record forms (Attachments M and N).

Section C.

Records to Support Meal Service

Institutions must keep records on daily attendance, the daily menus, daily meal counts, and all applications for free and reduced-price meals. These records support reimbursement for the number of meals served and validate the amount of reimbursement that is paid to the institution. These records should be kept at the sponsoring organization's central office, or at the independent center's main office.

Sponsoring organizations must collect daily records such as attendance, meal counts, and menu records from the centers and/or homes under their sponsorship at least once a month in order to complete their monthly claim for reimbursement. Sponsoring organizations may want to collect records from the facilities more often than monthly in order to verify that the records are correct and to help the facility staff understand mistakes or improve menu quality.

Institutions should collect free and reduced-price income eligibility applications throughout the year from the parents of all newly enrolled children (this is not a requirement for day care home programs). The institution should maintain a roster for CCFP eligibility. This roster should list the name and eligibility status of each enrolled child. The institution must periodically review and update the roster. The Reference section includes a sample roster form (Attachment O).

At least once each year, the administering agency will require institutions to submit the current status of the number of enrolled children that are eligible for free, reduced-price, or paid meals. This information is usually included as a part of the institution's application for CCFP participation. However, the administering agency may require the institution to update this information more frequently than once each year in order to verify that the institution is receiving the correct reimbursement.

Production Records

The administering agency may require that institutions keep daily production records in addition to daily meal counts and menus. A production record is a written record of the quantity of food

prepared for each menu item served. It is the institution's responsibility to monitor the menus served in the center or facilities, and to give menu planning assistance to staff members or home providers who are not meeting the nutritional goals of the program. Production records will help institutions determine if they are preparing or serving an adequate amount of food to enrolled children to meet the program's meal pattern requirements. The Reference section provides a sample menu planning and production worksheet (Attachment P).

Section D.

Records to Support Program Costs

Two categories of program costs, operating costs, and administrative costs may be claimed for reimbursement. This section outlines the types of costs included in each category and the records that must be kept to justify reimbursement for these costs. The administering agency may require additional records other than the ones that are listed here, and will provide institutions with assistance in completing them.

1. Operating Costs

Operating costs are allowable costs incurred by participating institutions for the preparation and service of meals. These costs include:

- . food costs
- . food service labor
- . nonfood supplies
- . purchased services
- . food service equipment depreciation costs.

Independent centers and sponsoring organizations of centers must claim reimbursement for food costs. Claiming for reimbursement in the other four categories listed above is optional. If institutions want to claim reimbursement for equipment depreciation, they should contact the administering agency for instruction.

Institutions should clearly identify the cost categories that they will claim for reimbursement on their annual application for participation.

They must maintain records to document all the operational costs they claim.

Note: Sponsoring organizations of day care homes are not required to keep documentation of operational costs associated with the cost of labor or food provided in day care homes. These institutions should refer to the Administrative Costs section of this manual.

2. Food Costs

Food costs are expenditures for the food used in meals served to children and program adults. Program adults are people over 18 years of age who perform necessary food service duties, such as planning, preparing, serving, supervising children during the meal service, or cleaning up after the meals are served.

The application for participation should clearly identify the method by which the institution will provide meals, whether it will be meals prepared at the site, or catered meals provided by a school or a food service management company.

a. Onsite Meal Preparation

The cost of the food used by an institution to prepare meals at its own facilities may include the cost of the purchased food and the cost of processing, transporting, storing, and handling food that has been donated (including USDA commodities) to the institution or food that has been purchased by the institution. These costs must be documented by invoices, receipts, inventory records, and itemized bills.

b. Contract with School or Food Service Management Company

The cost of food that may be claimed for reimbursement by an institution that contracts with a food service management company or school for the delivery of meals would be determined by the vendor invoices for program meals. Any meals served to adults not working with the program or to children not enrolled in the program cannot be claimed for reimbursement. All institutions and facilities must keep daily meal counts of the number of meals delivered and the number of meals served to enrolled children and program adults, and copies of menus.

c. Monthly Inventory

Many administering agencies require that institutions calculate the "cost of food used" at the end of the month. Institutions report the cost of food used as food costs on the monthly claim for reimbursement.

In this case, the institution must insure that monthly inventory records are maintained. The Reference section includes a sample inventory record and instructions for its use (Attachment Q) and a worksheet for cost of food used (Attachment R).

Exceptions

Some administering agencies may allow for exceptions in maintaining monthly inventories. Such exceptions may be based on the relatively small carryover of inventory from month to month. In cases where this exception is made, institutions would report, on a cash basis, the cost of food purchased during the month on the claim for reimbursement.

Some administering agencies may, however, require institutions to take an inventory once a year so they can make adjustments in the cost of food on an annual basis. In this case, institutions would

follow the same inventory procedure, but would only need to conduct an inventory once a year.

3. Records of Food Costs

The following outline shows the types of records that institutions must maintain to support all food costs claimed for reimbursement. All institutions must maintain copies of all menus served.

METHOD OF PURCHASING FOOD		RECORDS TO KEEP	
A.	Central purchasing by institution (sponsoring organization buys, stores, and disburses food supplies directly to centers).	1.	Itemized receipts and invoices for all food costs claimed.
		2.	Monthly inventory for use in reporting the value of food used.
B.	Contract purchasing through a school or food service management company.	1.	Copy of contract or school agreement.
		2.	Billings from school or food service management company.
		3.	Daily count of number of meals delivered.
C.	Direct purchasing by center.	1.	Itemized receipts and invoices for all food purchased by the center.
		2.	Inventory records as required by the administering agency.

4. Food Service Labor Costs

Food service labor cost is defined as compensation paid by the institution for labor that is needed for the operation of the food service. This may include wages, salaries, employee benefits, and the share of taxes paid by the institution.

Food service labor is labor necessary to perform only the following tasks:

- . Menu planning;
- . Preparing, serving, and cleaning up after the meal;
- . Onsite supervising of day-to-day food service operations, including supervising children while they are being served meals;
- . Preparing daily CCFP meal service records.

Amounts Eligible for Reimbursement

Institutions and centers must document the cost of food service labor in order to be reimbursed under the program. Records that must be maintained include payroll records and time and attendance reports. The value of donated labor may not be claimed under this or any other category of total program costs.

If some staff work only part time on food service, institutions must prorate the cost of labor so that they claim reimbursement only for work done in the program's food service. In addition, if a portion of a food service staff member's salary is paid through another government or private source, the institution must maintain accurate records to insure that duplicate payment is not made through program reimbursement.

In these cases, the administering agency must approve in advance the amount claimed for program reimbursement. The Reference section includes additional information about the records that must be kept when prorating food service labor costs (Attachment S).

5. Nonfood Supplies

Nonfood supplies that may be claimed for reimbursement include small kitchen equipment, paper goods (such as napkins and plates), and cleaning supplies used directly for the food service operation. Institutions must insure that an itemized receipt or invoice is kept on file as documentation for reimbursement for supplies. Some administering agencies may require a monthly or yearly inventory of these supplies.

6. Purchased Services

Purchased services are the cost of services that are required for program food service operations. Some common examples of purchased services include utility costs, food service equipment rental, rental of food service facilities, and minor repairs to food service equipment. These costs may be eligible for reimbursement. However, the institution must carefully document the percentage of use for the program for all of the expenses claimed in this category. The administering agency will provide institutions with assistance on how these costs may be claimed and the records that they need to support the reimbursement.

7. Administrative Costs

Administrative costs are costs incurred by independent child care centers, independent outside-school-hours care centers, sponsoring organizations of centers and sponsoring organizations of homes to administer the CCFP. Administrative costs include costs associated with planning, organizing, and managing a food service operation under the program. Administrative costs may be claimed for reimbursement as long as these costs have been included in the institution's CCFP budget and have been approved by the administering agency.

Administrative cost categories that may be claimed for reimbursement include the cost of labor, supplies, and mileage.

The Reference section includes a summary of administrative expenses that may be used by institutions (Attachment T).

8. Administrative Labor Costs

Administrative labor costs include compensation paid by the institution for labor needed for administering the CCFP. This may include wages, salaries, employee benefits, and the share of taxes paid by the institution.

Administrative labor is labor necessary to perform the following tasks:

- . Planning, organizing, and managing the food service operation under the CCFP;
- . Completing CCFP application materials;
- . Compiling daily records to complete the monthly reimbursement claim;
- . Preparing the monthly reimbursement claim;
- . Monitoring program operations in the centers or facilities.

Amounts Eligible for Reimbursement

Institutions must document the cost of administrative labor in order to be reimbursed under the CCFP. Records that must be maintained include payroll records and time and attendance reports. The value of volunteer labor may not be claimed under this or any other category of total program costs.

If some administrative staff work only part time on CCFP administrative duties, the institution must prorate the cost of the labor so that they claim only CCFP administrative labor for reimbursement. The institution must maintain accurate records to insure that payment is not duplicated through CCFP reimbursement if a portion of an administrative staff member's salary is paid through another source of income. In these cases, the administering agency must approve in advance the amount claimed for CCFP reimbursement.

The Reference section includes additional information about the records institutions must keep when prorating administrative labor costs (Attachment S).

9. Administrative Supplies

Costs incurred for supplies used to administer the CCFP may be claimed for reimbursement. These costs may include:

- . Cost of printing or reproducing materials that are used for the CCFP;
- . Telephone calls and postage necessary for the CCFP operations.

Institutions must keep itemized receipts, invoices, and other records to document these costs. Some administering agencies may require either a monthly or yearly inventory of administrative supplies. The administering agency will provide institutions with information about these costs.

10. Mileage

If vehicles owned by an institution or one of the institution's employees are used for CCFP administrative duties (such as visits to sites for monitoring or training), the institution may claim a mileage allowance for reimbursement. Records must be kept to document the mileage claimed for reimbursement. The Reference section includes a sample mileage record (Attachment U).

The administering agency will provide institutions with information about the amount of reimbursement that can be claimed for mileage accrued while completing CCFP administrative duties.

Section E.

Official Visitors

Official visits will be made to the institution and/or to the facilities under its sponsorship by representatives of the administering agency and representatives of the USDA. These officials will review the records and operation of the program. They will also provide technical assistance to institutions in all areas of food program operations.

Participating in the Child Care Food Program provides benefits to children. Cooperation between the administering agency, institutions, centers, and homes will help to insure that all of the children that participate in the program will receive the maximum benefits of good nutrition.

REFERENCES

FNS Regional Offices

1. New England Regional Office
FNS-USDA
33 North Avenue
Burlington, Massachusetts 01803

For the States of Connecticut, Maine, Massachusetts,
New Hampshire, Rhode Island and Vermont.

2. Mid-Atlantic Regional Office
FNS-USDA
One Vahlsing Center
Robbinsville, New Jersey 08691

For the States of Delaware, Maryland, New Jersey, New York,
Pennsylvania, Virginia, West Virginia, the District of
Columbia, the Virgin Islands, and Puerto Rico.

3. Southeast Regional Office
FNS-USDA
1100 Spring Street, N.W.
Atlanta, Georgia 30309

For the States of Alabama, Florida, Georgia, Kentucky,
Mississippi, North Carolina, South Carolina, and Tennessee.

4. Midwest Regional Office
FNS-USDA
536 South Clark Street
Chicago, Illinois 60605

For the States of Illinois, Indiana, Michigan, Minnesota,
Ohio, and Wisconsin.

5. Mountain Plains Regional Office
FNS-USDA
2420 West 26th Avenue, Room 430D
Denver, Colorado 80211

For the States of Colorado, Iowa, Kansas, Missouri, Montana,
Nebraska, North Dakota, South Dakota, Utah, and Wyoming.

6. Southwest Regional Office
FNS-USDA
1100 Commerce Street, Room 5-C-30
Dallas, Texas 75202

For the States of Arkansas, Louisiana, New Mexico, Oklahoma, and Texas.

7. Western Regional Office
FNS-USDA
550 Kearny Street, Room 400
San Francisco, California 94108

For the States of Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Washington, and for American Samoa, Guam, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

Preoperation Visit Form for Sponsoring Organizations

1. Name and Address of Facility _____

Telephone Number _____

2. License Capacity _____ Expiration Date _____

Total Number of Children Enrolled _____

_____ Breakfast AM Snack Lunch PM Snack Supper

3. Time of Meal Service _____

Average Number of
Meals Served _____

4. What food preparation and service equipment is available? _____

Is this adequate to prepare and serve the necessary meals?

Yes _____ No _____
What additional equipment is needed? _____

5. Have recordkeeping requirements been explained to and discussed with the facility
personnel? Yes _____ No _____

Is the facility willing to and capable of maintaining the required records daily?
Yes _____ No _____

Signature of Sponsoring Organization
Representative

Date

Signature of Facility Representative

Date

Sponsoring Organization Monitor Review Form

1. Name and Address of Facility

Telephone no.

2. License capacity

 3. Dates of operation

 Expiration date

 Operating days

 Total no. of children enrolled

 Hours daily

 a.m. to

 p.m.

4. Average number of children served at each meal and time of service:

Average Number of Meals	Time of Meal Service
-------------------------	----------------------

Breakfast	<hr/>
A.M. Snack	<hr/>
Lunch	<hr/>
P.M. Snack	<hr/>
Supper	<hr/>

Does the time between meal servings seem reasonable?

5. Has the facility staff attended the sponsoring organization's training sessions?
-

When? What topics were covered?

6. Briefly describe the organized activities at the facility.
-

Monitor Review Form

7. FOOD SERVICE

- A. How far in advance are menus planned? _____
- B. What food service guidance materials are available at the facility? _____

- Are these adequate? _____
- C. Based on the past month's menus:
- (1) Are menus retained on file? _____ Where? _____
- (2) Are all of the required components served for each meal? (If no, describe what components are missing) _____

- (3) Does the facility staff demonstrate familiarity with the types and quantities of food required for each type of meal service? _____

8. SANITATION

- A. Are sanitary procedures followed in all aspects of food service? _____
- B. Is the kitchen area kept clean at all times? _____
- C. Are the dishes sanitized after washing and rinsing? _____
- D. Are refrigeration facilities adequate for cold and frozen foods? _____
- Is the cold storage 40 degrees F or below? _____
- Is the freezer storage 0 degrees F or below? _____
- E. Is there evidence of insect or rodent infestation? _____
- If yes, what measures are being taken to eliminate this problem? _____
- F. Are frozen perishable foods thawed under refrigeration? _____
- G. Are all insecticides, polishes, and cleaning compounds stored in an area separate from food and in an area that is not accessible to children? _____

9. SPACE, FACILITIES, AND EQUIPMENT

- A. Is there adequate dry storage for food items? _____
- B. Is dining space adequate for the number of children enrolled? _____
- C. Is a working domestic type oven-range available? _____
- D. Is there a working refrigerator-freezer available? _____
- E. Is a sink with running hot and cold water available? _____
- F. Is the outside play area safe and clean? _____

Monitor Review Form

10. RECORDKEEPING

- A. Are daily records kept of the number of meals (by type) served to children and program adults? _____
Are accurate attendance records maintained on children separate from meal count records? _____
- B. Are these records given to the sponsoring organization on a regular basis as provided for in the agreement between the sponsoring organization and the facility? _____
- C. Is there a copy of the agreement between the sponsoring organization and the facility on file? _____
Where? _____

II. MEAL SERVICE OBSERVED

- A. For the meal service(s) you observe, record the types and quantity of food prepared.

Item	Foods Used	Total Quantity Prepared
Milk as a Beverage		
Fruit or Vegetable or Juice		
Bread or Cereal or Bread Alternate		
Meat or Meat Alternate		
Additional Food		

Monitor Review Form

B. Number of children served: _____
Number of program adults served: _____

C. Note if any missing components or insufficient quantities of food are observed in today's meal service. _____

12. Write a short summary of your visit. Point out program strengths and weaknesses. Give your opinion on how the program could be improved. Recommend changes that you see as desirable or required. (Note: Short comments such as "good program" are not sufficient.)

13. A. List problem areas noted during most recent prior review and give date of that review.

B. Have these problems been corrected as of today's visit? _____

If no, indicate what followup action is necessary and the timeframe required for correction.

Date	Title	Signature of Monitor/Reviewer
------	-------	----------------------------------

_____	_____	_____
-------	-------	-------

ATTACHMENT D

Monitor Checklist

Today's Date _____

Monitor's Name _____

1. Name of Facility _____
2. Meal service observed? _____ Yes _____ No
 _____ Breakfast _____ Lunch/Supper _____ Snack
3. Number of children served _____
4. Complete this chart for the meal observed:

Item	Foods used	Amount served to each child
Milk as a Beverage		
Fruit or Vegetable or Juice		
Bread or Cereal or Bread Alternate		
Meat or Meat Alternate		
Additional Food		

5. Check applicable box to evaluate each item:

Item	Very Good	Fair	Poor
Menu Planning			
Sanitation			
Refrigeration			
Dry Storage			
Daily Records			
Enrollment Data			

6. List any problems observed with the food service or USDA recordkeeping. What corrections will be made?

ATTACHMENT E

Sample Parent Letter

Dear Parent or Guardian:

Please help us comply with the requirements of the U.S. Department of Agriculture's Child Care Food Program. Complete, sign, and return the attached form as soon as possible.

This information is necessary so that we may receive reimbursement for the meals served to children in our program. This form will be placed in our files and treated as confidential information.

The Department of Agriculture defines "family" as a group of related or unrelated individuals (not residents of an institution or boarding house) who are living as one economic unit. "Income" reported on the form should include gross income of the members of the "family."

(Institution Representative)

ATTACHMENT F

Child Care Food Program Income Eligibility Application For Child Care and Outside-School-Hours Care Centers

Name of child(ren) participating in the Child Care Food Program:

_____	_____
_____	_____
_____	_____

Total number in family: _____

Total family income before deductions. Include wages of all working members, welfare payments, pensions, social security, and all other income.

Fill in one:	Yearly	\$ _____
	Monthly	\$ _____
	Weekly	\$ _____
	Biweekly	\$ _____
	Other	\$ _____

I hereby certify that the above information is true and correct. I understand that this information is being given in connection with the receipt of Federal funds; institution officials may, for cause, verify information on the application.

_____	_____
Date	Signature of Adult Family Member

FOR OFFICIAL USE ONLY:	Approved free _____	Date: _____
(Initial One)	Approved reduced _____	
	Not eligible for	
	free or reduced _____	

ATTACHMENT G

Public Release (Pricing Programs)

The _____ announces the sponsorship of the Child Care
Name of Institution

Food Program. Free and reduced-price meals will be available to enrolled children meeting the approved eligibility criteria at the centers listed below and will be provided without regard to race, color, or national origin.

(insert list of centers here)

ATTACHMENT H

Public Release (Nonpricing Programs)

The _____ announces the sponsorship of the Child Care Food Program .
Name of Institution

Meals will be available at no separate charge to enrolled children at the centers and homes listed below and will be provided without regard to race, color, or national origin.

(insert list of centers and homes here)

ATTACHMENT I

Agreement To Furnish Food Service
(Institution/School)

THIS AGREEMENT is made and entered into by and between (School) _____
_____ and the (Institution) _____:

WHEREAS the facilities of the (institution) _____ are not adequate for preparing and serving meals to children, while the facilities of the (school) _____ are adequate to serve meals to children from the institution; the (school) _____ agrees to supply meals (inclusive/exclusive) of milk to (institution) _____ with and for the rates herein listed:

Breakfast	\$ _____ each	Lunches	\$ _____ each
Snacks	\$ _____ each	Supper	\$ _____ each

It is further agreed that the (school) _____, pursuant to the provisions of the Child Care Food Program regulations, attached copy of which is part of this agreement, will assure that said meals meet the minimum requirements as to nutritive value and content, and will maintain full and accurate records that the institution will need to meet its responsibility including the following:

1. Menu records, including amount of food prepared.
2. Meals, including daily number of meals delivered by type.

These records must be reported to the institution promptly at the end of the month. (School) _____ agrees also to retain records required under the preceding clause for a period of 3 years after the end of the fiscal year to which they pertain (or longer, if an audit is in progress); and upon request, to make all accounts and records pertaining to the program available to representatives of the administering agency and the General Accounting Office for audit or administrative review at a reasonable time and place.

This agreement shall be effective as of (date) _____.
It may be terminated by notice in writing given by any party hereto to the other parties at least 30 days prior to the date of termination.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the dates indicated below:

_____ School Official	_____ Institution Official
_____ Title, Date	_____ Title, Date

ATTACHMENT J

CCFP Rates of Reimbursement *

Sponsoring Organizations of Day Care Homes

*These rates change July 1, 1980

<u>Administrative payment factors</u>	<u>Per-home rate</u>
First 25 day care homes	\$45.00
Next 50 day care homes	\$35.00
Additional day care homes	\$30.00
<u>Food service payment factors</u>	
Breakfast	\$.46
Lunch or supper	.90
Snacks (Supplements)	.27

ATTACHMENT K

CCFP Rates Of Reimbursement*

*May 1, 1980 - June 30 1980

**These rates change July 1, 1980

Sponsoring Organizations of Centers

Independent Child Care Centers

Independent Outside-School-Hours Care Centers

	BREAKFAST	LUNCH/SUPPER	SNACKS
FREE	49.25¢	97.25¢	29.00¢
REDUCED-PRICE	40.50¢	77.25¢	22.00¢
PAID	14.00¢	17.75¢	7.25¢

These rates do not include the reimbursement that institutions receive in the form of donated commodities or cash in lieu of commodities (based only on the number of lunches and suppers served). If an institution is receiving cash in lieu of commodities, additional funds will be added to the reimbursement on the basis of the number of lunches and suppers served.

**Reimbursement rates for the meals served under the CCFP are adjusted twice each year. At these times, FNS will notify the administering agencies of the new rates. Participating institutions can obtain these rates from their administering agency.

Checklist of Required Records

_____	Menus
_____	Production records
_____	Daily meal counts
_____	Children's attendance records
_____	Free and reduced-price applications
_____	Inventories of food and nonfood items
_____	Food receipts or invoices
_____	Contract with food service management company
_____	Agreement with school for food service
_____	Time and attendance reports for employees
_____	Payroll documents
_____	Labor study documentation
_____	Equipment record cards
_____	Depreciation summary
_____	Utility bills
_____	Rental agreements
_____	Repair bills
_____	Administrative cost records
_____	Supplies
_____	Salaries
_____	Communication
_____	Travel
_____	Printing
_____	Other

DAILY MEAL COUNT SAMPLE FORM

Group No. _____

Week of _____ to _____

	MONDAY		TUESDAY		WEDNESDAY		THURSDAY		FRIDAY	
	C*	P/A**	C*	P/A**	C*	P/A**	C*	P/A**	C*	P/A**
MEAL TYPE										
BREAKFAST										
AM SNACK										
LUNCH										
PM SNACK										
SUPPER										

* - Children
** - Program Adults

SAMPLE MENU RECORD FORM

FACILITY NAME _____ WEEK OF _____ TO _____

ATTACHMENT N

MEAL PATTERN	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
BREAKFAST Milk, fluid Vegetable or Fruit or Full-Strength Juice Bread or Cereal or Alternate Other Foods					
AM SNACK (Choose 2 of 4 Items) Milk, fluid Vegetable or Fruit or Full-Strength Juice Bread or Cereal or Alternate Meat or Alternate					
LUNCH Milk, fluid Vegetables and/or Fruits or Full-Strength Juice (2 or more items) Bread or Alternate Meat or Alternate Other foods					
PM SNACK (Choose 2 of 4 Items) Milk, fluid Vegetable or Fruit or Full-Strength Juice					

S U P P E R	Bread or Cereal or Alternate Meat or Alternate								
	Milk, fluid Vegetables and/or Fruits or Full-Strength Juice (2 or more items) Bread or Alternate Meat or Alternate Other Foods								

Roster For Child Care Food Program Eligibility

[illegible]

*Free, Reduced-Price, or Ineligible for Free and Reduced.

Instructions For Completing Daily Menu Planning and Production WorksheetItem Number

- 1 Write the calendar date this menu is served, showing month, day, and year.
- 2 Record all menu items you serve this date in the appropriate section.
- 3 Enter the name of each food you use to meet meal or snack requirements. For a menu item like beef pot pie, the foods that meet the meal requirements at lunch or supper would be as follows: stew beef would meet the meat/meat alternate requirement; potatoes and carrots in the pie would meet part of the fruit/vegetable requirement; the pie crust would meet part or all of the bread/bread alternate requirements.
- 4 Enter quantity of each ingredient or food item used to meet the meal requirements. Use weights, measures or number, for example, stew beef, 10 lbs.; potatoes, 3 lbs.; etc.
- 5 Enter the portion or serving size of each menu item you serve (e.g., 5 oz. pie, 1/2 cup juice). Serving sizes can be shown in measures (such as cup measures, scoop size, ladle size), weight, or number (such as medium apple).
- 6 Enter number of children served at each meal/snack.
- 7 Enter the adults served at each meal/snack.

Daily Menu Planning and Production Worksheet

Date _____ (1)

Meal Pattern	Menu (2)	Food Item Used (3)	Quantity Used (4)	Size Serving (5)	Children (6)	Adults (7)
BREAKFAST						
Milk, fluid						
Juice or Fruit or Vegetable						
Bread/Bread Alternate including Cereal						
A.M. SNACK						
(Select two of these four components)						
Milk, fluid						
Juice or Fruit or Vegetable						
Bread/Bread Alternate including Cereal						
Meat/Meat Alternate						
LUNCH						
Milk, fluid						
Meat and/or Meat Alternate						
Vegetables and/or Fruits (2 or more)						
Bread						
Other Foods						
P.M. Snack						
(select two of these four components)						
Milk, fluid						
Juice or Fruit or Vegetable						
Bread/Bread Alternate including Cereal						
Meat/Meat Alternate						

ATTACHMENT P

SUPPER <u>Milk, fluid</u> Meat and/or Meat Alternate Vegetables and/or Fruits (2 or more) Bread Other Foods					

Inventory Control Sheet Instructions

The value of the beginning inventory will be determined by taking a physical count before the food service operation begins. The value of the beginning inventory thereafter is the same as the ending inventory for the previous month.

A complete physical inventory of all purchased foods, commodities, and supplies on hand must be taken at the end of the reporting period.

For ease in taking a physical count of foods in storage, arrange the items according to food groups in the storage area and arrange each group in alphabetical order, for example, canned fruits and fruit juices - apples, apricots, etc. Store food in cases, boxes, or other containers marked with the date received and cost per unit to facilitate the taking of inventories.

Column 1. Enter the name of the food item, such as asparagus, green beans, or mayonnaise.

Column 2. Enter the size pack, such as, 6/#10 case, #50 bag, or #10 can. If different size containers of the same food item are on hand, use a separate line for each size and a separate line for each different unit cost of the same size pack.

Column 3. Enter the number of units (of the size shown in column 2) found on hand from actual count.

Column 4. Enter the unit cost for the size unit shown in column 2. (Use the unit cost written on package or unit).

Column 5. Obtain the total cost by multiplying the number of units (column 3) by the unit cost (column 4) and enter in column 5.

Add column 5 (total cost) for all pages for the inventory at the end of the month.

THIS IS A PERMANENT SOURCE DOCUMENT AND MUST BE RETAINED FOR A PERIOD OF 3 YEARS AFTER THE END OF THE FISCAL YEAR TO WHICH IT PERTAINS.

ATTACHMENT Q

Inventory Control Sheet

Institution Name _____

Date _____ 19____ Beginning Inventory \$ _____

[illegible]

Worksheet for Cost of Food Used

(1) _____ (2) _____ (3) _____
 Institution Name Month Year

(4) COST OF FOOD USED:

(a)	Beginning inventory	\$ _____
(b)	Inventory adjustment (+ or -)	_____
(c)	Purchases (including milk)	_____
(d)	Total food available	\$ _____
(e)	Less ending inventory	- _____
(f)	Total cost of food used	\$ _____

Instructions

- (1) Name of institution
- (2) Self-explanatory
- (3) Self-explanatory
- (4)
 - a. Enter dollar value of beginning inventory.
 - b. Enter amount of adjustment (plus or minus) for any transfer, spoilage, pilferage, etc. (Please explain any adjustment on the back of this form.)
 - c. Enter the dollar value of all food purchases made during the month. This should equal food expenditures.
 - d. Add 4a and 4c and + or - 4b.
 - e. Enter dollar value of ending inventory.
 - f. Item 4a (+b or -b) + c - e = 4f (Total Cost of Food Used)

Transfer the total arrived at in 4f to your reimbursement voucher.

Records Necessary For Prorated Labor Costs

For staff members who work part time on the CCFP and part time in other duties or in other programs, the institution must prorate costs so that only the CCFP activity is claimed for reimbursement. The amount the institution claims may be based on a percentage of time or other stipulated dollar amount. This amount must be approved in advance by the administering agency. The institution must base this amount on a reasonable approximation of labor cost actually incurred by the CCFP. Generally, the administering agency will require the institution to provide evidence (such as a 2-week work study) to substantiate the amount of time these employees devote to food service. Such amounts must not result in increasing any individual's salary or represent dual funding for the same activity.

Records of Labor Costs

- A. Daily time sheets completed by the employee showing the total number of hours spent on food service.

OR

- B. Copy of an annual work study for each employee to establish the average amount of time spent on food service each day. This study must cover a 2-week period and each meal type for which the institution seeks reimbursement.

OR

- C. An approved allocation formula in those situations where the employee is paid by other Federal, State, or local governmental sources for day care services that may duplicate USDA payments.

ATTACHMENT T

Summary Of Administrative Expenses

Name of Institution _____

Month and Year _____

Position	No. of People in that Position	Salary Per Hour	No. of Hours Spent on Food Service	Total
_____	X	X	=	_____
_____	X	X	=	_____
_____	X	X	=	_____
_____	X	X	=	_____
_____	X	X	=	_____
_____	X	X	=	_____

1. Salary total _____

2. Transportation _____

3. Communications _____

4. Rental of office space _____

5. Office supplies _____

6. Utilities _____

7. Other (specify) _____

TOTAL _____

Administrative Mileage Record

Name of Employee _____

[illegible]

Signature of Employee

ATTACHMENT V

Child Care Food Program Publications

SOURCE

- | | |
|--|----------------------|
| 1. <u>Food Buying Guide for Child Care Centers</u>
USDA, FNS-108, Slightly Revised 1980 | Administering Agency |
| 2. <u>A Planning Guide for Food Service in Child Care Centers</u> USDA, FNS-64, Revised 1980 | Administering Agency |
| 3. <u>Food Service Equipment Guide for Child Care Institutions</u> USDA, PA-999, Revised 1980 | Administering Agency |
| 4. <u>Quantity Recipes for Child Care Centers</u>
USDA, FNS-86, Slightly Revised 1979 | Administering Agency |
| 5. <u>Food Chart</u> USDA, PA-1165, Revised 1980 | Administering Agency |
| 6. <u>Food Chart (Spanish)</u> USDA, PA-1165S,
Revised 1980 | Administering Agency |
| 7. <u>Providing Food with Care: A Guide for Day Care Homes in the Child Care Food Program</u>
(in development) | Administering Agency |
| 8. <u>Providing Food with Care: A Guide for Day Care Homes in the Child Care Food Program</u>
(Spanish)
(in development) | Administering Agency |
| 9. <u>Outside-School-Hours Care Center Handbook</u>
(in development) | Administering Agency |
| 10. <u>Outside-School-Hours Care Center Handbook (Spanish)</u>
(in development) | Administering Agency |
| 11. <u>Food for Kids</u> USDA, FNS (outreach brochure) | Administering Agency |
| 12. <u>Be a Sponsor of Day Care Homes</u> , USDA, FNS-205 | Administering Agency |

For additional audiovisual and print materials related to food service and nutrition education for children, contact the Food and Nutrition Information Center (FNIC). FNIC materials include books, journal articles, pamphlets, government documents, special reports, proceedings, and bibliographies. In addition, FNIC maintains a collection of nonprint media in the form of films, filmstrips, slides, games, charts, audiotapes, and video cassettes. Contact:

The Food and Nutrition Information Center
National Agricultural Library, Room 304
Beltsville, Maryland 20705

There are many other sources of information about nutrition within your own community. They can provide you with valuable resource materials, filmstrips, bibliographies, and contacts to expand or improve your organization's nutrition resource center. Contact your local office of any of these groups for more information.

Cooperative Extension Service (county extension agent)

Department of Health and Human Services,
Food and Drug Administration

Health Department

Public Library

Department of Social Services or Public Welfare

College or University Home Economics Department

Dairy Council

American Dietetics Association (or State level office)

American School Food Service Association (or State level office)

Utility Company Home Service Department

*U.S. GOVERNMENT PRINTING OFFICE : 1980 O-620-221/3657

